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INVESTIGATION OF IMPROPER ACTIVITIES IN THE
LABOR OR MANAGEMENT FIELD

HEARINGS
BEFORE THE
SELECT COMMITTEE
ON IMPROPER ACTIVITIES IN THE
LABOR OR MANAGEMENT FIELD
EIGHTY-FIFTH CONGRESS
FIRST SESSION

PURSUANT TO SENATE RESOLUTION 74, 85TH CONGRESS

MARCH 5, 6, 7, AND 8, 1957

PART 2

Printed for the use of the Select Committee on Improper Activities in the
Labor or Management Field



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**SELECT COMMITTEE ON IMPROPER ACTIVITIES IN THE LABOR OR
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CONTENTS

AREA: PORTLAND, OREG.; SEATTLE AND SPOKANE, WASH.

	Page
Appendix-----	743
Testimony of—	
Amundson, Lowell E.-----	587
Bennett, Clifford O.-----	566, 568
Calabrese, Alphonse F.-----	462
Crosby, Clyde C.-----	673
Daniels, Frank-----	590
Elkins, James B.-----	435, 463, 530, 554, 557
Goodall, James L.-----	568
Hardy, Helen E.-----	467
Jenkins, James Q.-----	719, 740
Jenkins, Virginia-----	571, 630
O'Connell, William-----	457
Maloney, Tom-----	727
McLaughlin, Joseph P.-----	732
Plotkin, Leo-----	517
Schrunk, Terry Doyle-----	595, 633
Stone, Laura-----	578
Tiedeman, Merlin L.-----	581
Vance, John W.-----	576
Zusman, Nathan-----	473, 481, 629

EXHIBITS

	Introduced on page	Appears on page
35. Undated agreement between Tom Johnson, Joe McLaughlin, and Jim Elkins to divide options purchased for exposition-recreation center, Portland, Oreg.-----	449	(*)
36. List of options secured on land within proposed site of exposition-recreation center-----	452	(*)
37. Application for airline ticket No. 888-02283 between Portland and San Francisco for J. McLaughlin signed by William O'Connell-----	459	743
38A. Registration card and bill from Olympic Hotel for Joseph McLaughlin pertaining to presence on May 16, 1955-----	463	744-745
38B. Registration card and bill from Olympic Hotel, San Francisco, for Clyde Crosby dated May 16, 1955-----	463	746-747
38C. Clift Hotel, San Francisco, bills for Frank Brewster and John Sweeney, May 14 through 17, 1955-----	463	748-750
38D. United Airlines round-trip ticket for Clyde Crosby and Joseph McLaughlin between Portland and San Francisco-----	463	751-752
39. Statement of income for 1955 from Mutual Investment of J. P. McLaughlin and J. B. Elkins-----	539	753
40. Letter from J. B. Elkins to J. P. McLaughlin enclosing cashier's check for \$668 payable to J. P. McLaughlin pertaining to exposition-recreation center deal-----	555	754-755
41. Picture of the 8212 Club, North Denver Street, Portland, Oreg.-----	575	(*)
42. Chart representing Denver Avenue and Kilpatrick Street, Portland, and directions-----	586	(*)
43. Picture of Denver Avenue and Kilpatrick Street showing location of the 8212 Club-----	586	(*)
44. Photograph showing pole and fountain and 8212 Club-----	586	(*)
Proceedings of—		
March 5, 1957-----		435
March 6, 1957-----		481
March 7, 1957-----		557
March 8, 1957-----		629

*May be found in the files of the select committee.

INVESTIGATION OF IMPROPER ACTIVITIES IN THE LABOR OR MANAGEMENT FIELD

TUESDAY, MARCH 5, 1957

UNITED STATES SENATE,
SELECT COMMITTEE ON IMPROPER ACTIVITIES
IN THE LABOR OR MANAGEMENT FIELD,
Washington, D. C.

The select committee met at 2:10 p. m., pursuant to Senate Resolution 74, agreed to January 30, 1957, in the caucus room of the Senate Office Building, Senator John L. McClellan (chairman of the select committee) presiding.

Present: Senator John L. McClellan, Democrat, Arkansas; Senator Sam J. Ervin, Jr., Democrat, North Carolina; Senator Pat McNamara, Democrat, Michigan; Senator Joseph R. McCarthy, Republican, Wisconsin; Senator Karl E. Mundt, Republican, South Dakota; Senator Barry Goldwater, Republican, Arizona.

Also present: Robert F. Kennedy, chief counsel to the select committee; Jerome Adlerman, assistant counsel; Alphonse F. Calabrese, investigator; Ruth Young Watt, chief clerk.

(The hearing resumed at 2:10 p. m., Senator John L. McClellan, chairman, presiding.)

The CHAIRMAN. The committee will be in order.

(Present at the convening of the hearing were Senators McClellan and Goldwater.)

The CHAIRMAN. We will resume hearings from our adjournment last Friday. The Chair would make the observation that some Senators are not able to be here on time at the appointed hour of 2 o'clock to resume because of a record vote in the Senate. I anticipate other members of the committee will be here soon and so we may proceed.

Mr. Counsel, will you call the first witness?

Mr. KENNEDY. Mr. Jim Elkins.

The CHAIRMAN. Will you come forward, Mr. Elkins?

TESTIMONY OF JAMES B. ELKINS—Resumed

The CHAIRMAN. Mr. Elkins, Friday afternoon we had some testimony from Mr. Howard Morgan who is a public official in the State of Oregon, and he gave us some information regarding the attempt of the teamsters to take over the liquor commission.

In the course of your connections with the teamsters union at the end of 1954 through 1955, did you have any conversations with any officials of the teamsters union regarding the liquor commission?

Mr. ELKINS. Yes, sir.

Mr. KENNEDY. What was the first incident that occurred regarding the liquor commission or any members of the liquor commission?

Mr. ELKINS. The commission had fired two members of the commission for accepting gratuities, I believe they put it.

Mr. KENNEDY. And was one of them an acquaintance of yours by the name of Mr. Sheridan?

Mr. ELKINS. He got to be an acquaintance as soon as he got fired.

Mr. KENNEDY. Then he came to see you to talk about this problem?

Mr. ELKINS. That is correct.

Mr. KENNEDY. Did you bring him down to see Mr. Clyde Crosby?

Mr. ELKINS. I did.

Mr. KENNEDY. At that time was Mr. Clyde Crosby international representative of the teamsters?

Mr. ELKINS. That is correct.

Mr. KENNEDY. In the Portland area?

Mr. ELKINS. That is correct.

Mr. KENNEDY. What did Mr. Crosby say to you at that time, as to what could be done for Mr. Sheridan?

Mr. ELKINS. He told me that through their political influence they thought they could save it.

Mr. KENNEDY. Did he take any steps at that time?

Mr. ELKINS. Yes, he did.

Mr. KENNEDY. Would you relate that to the committee?

Mr. ELKINS. I told him I didn't think that they were big enough because it came out of the capitol.

Mr. KENNEDY. You said you did not feel that they had enough influence because this step, getting rid of Mr. Sheridan, had come out of the capitol?

Mr. ELKINS. That is correct. He said, "I'll find out if we have." He called Seattle, Mr. John Sweeney, and Mr. Sweeney said, "We might just as well find out now if we have bought a pig in a poke or if he will perform for us."

Mr. KENNEDY. "He" being this high State official?

Mr. ELKINS. Yes; the highest, yes.

Mr. KENNEDY. The highest in the State? You are talking about the former governor; is that correct?

Mr. ELKINS. That is correct and I don't like to say anything about him because he is dead.

Mr. KENNEDY. But at that time, the teamsters had backed him; is that right?

Mr. ELKINS. In the election; yes, sir.

Mr. KENNEDY. According to what Mr. Morgan related here on Friday, the teamsters had backed Governor Patterson while all of the other labor organizations had backed his opponent, and then had also backed Mr. Langley while all other labor had backed Mr. Langley's opponent.

Mr. ELKINS. I am not familiar with what the rest of labor had done, but I know that the teamsters had backed Mr. Patterson; yes, sir.

Mr. KENNEDY. Now, what did John Sweeney say to Mr. Crosby as Mr. Crosby related it to you.

Mr. ELKINS. "We would just as well find out if we have bought a pig in a poke or if he will perform for us."

Mr. KENNEDY. What steps did Mr. Crosby take?

Mr. ELKINS. He told me to bring Tom Sheridan over at 7 p. m. that evening.

Mr. KENNEDY. Did he meet with Mr. Sheridan?

Mr. ELKINS. He did and I brought him over to Crosby's private office.

Mr. KENNEDY. They had a conference at that time?

Mr. ELKINS. They did.

Mr. KENNEDY. And were arrangements made at that time about meeting with the Governor?

Mr. ELKINS. Not for Sheridan to meet him but for Mr. Crosby to meet him.

Mr. KENNEDY. Did he meet him?

Mr. ELKINS. He did.

Mr. KENNEDY. Could you relate that incident?

Mr. ELKINS. Well, Mr. Crosby called me at my place of business and told me that he had an appointment for 5 o'clock that afternoon—and that is the following afternoon—with the Governor. About 7:30 he called me at my home and related that he had gotten the job done, that is the way he expressed it, that Mr. Sheridan would be reinstated but he would have to go through a civil service board hearing.

Mr. KENNEDY. So he went through a civil service study which was also arranged; is that right?

Mr. ELKINS. Well, they claimed they arranged it and I don't know.

Mr. KENNEDY. But Mr. Sheridan stayed on in his position?

Mr. ELKINS. That is right. He just lost a month's pay, that's all.

Mr. KENNEDY. Was he the subject of an investigation at a later date, a year later? Would that be in 1955.

Mr. ELKINS. 1955; yes.

Mr. KENNEDY. And again there was another investigation of the liquor commission?

Mr. ELKINS. Mr. Thornton, the attorney general, had raised such a hue and cry about the liquor commission that the Governor hired two Portland attorneys to make that investigation. One of them had formerly been an FBI agent. When they finished the investigation, Mr. Thornton wanted the results of this investigation.

The Governor wouldn't give it to him, so finally, after a squabble, he turned the investigation over to Mr. Langley.

Mr. KENNEDY. The Governor turned the investigation over to Mr. Langley?

Mr. ELKINS. That is right.

Mr. KENNEDY. Did Mr. Langley and the Governor have a meeting on this?

Mr. ELKINS. They did.

Mr. KENNEDY. Did you witness it?

Mr. ELKINS. I did.

Mr. KENNEDY. Where did the meeting take place?

Mr. ELKINS. About 20 feet down from the entrance of my office.

(At this point in the proceedings, Senator Mundt entered the hearing room.)

Mr. ELKINS. Pardon me, there is a TV station on the corner from my office and so it had nothing to do with me that I saw the meeting and they appeared at that spot.

Mr. KENNEDY. They sat in a car and talked?

Mr. ELKINS. That is right.

Mr. KENNEDY. Now, was it agreed, according to what was related to you, that this was going to be a whitewash of the investigation?

Mr. ELKINS. That is what Mr. Maloney told me that evening.

Mr. KENNEDY. Tom Maloney told you?

Mr. ELKINS. That is correct.

Mr. KENNEDY. Now, there was some evidence against Mr. Sheridan, and there was a witness, was there not, that could testify against him?

Mr. ELKINS. That is correct.

Mr. KENNEDY. That witness was up in the State of Washington, outside the jurisdiction of the State of Oregon?

Mr. ELKINS. That is right. He was in Washington.

Mr. KENNEDY. Were instructions given that that witness should hide and not appear?

Mr. ELKINS. It was; that is right.

Mr. KENNEDY. Were some of those instructions related through you?

Mr. ELKINS. They were; yes. The first man they gave the instructions to didn't do it and he didn't want to mix in it and then Mr. Maloney went up from Portland to Seattle and talked to someone and instructed them to have the man go hunting and told him that then Mr. Langley would issue the subpoena and he wouldn't be available.

Mr. KENNEDY. They wanted the witness to go hunting and then Mr. Langley would issue the subpoena and they would not be able to find him?

Mr. ELKINS. That is correct.

Mr. KENNEDY. Did you have conversations with Tom Maloney about the fact that this was going to be a whitewash?

Mr. ELKINS. Yes, sir; many times.

Mr. KENNEDY. Did you assist in that—making it a whitewash?

Mr. ELKINS. Well, yes; I did.

Mr. KENNEDY. Were there also conversations held up in the apartment of Mr. Maloney?

Mr. ELKINS. There were.

Mr. KENNEDY. About this?

Mr. ELKINS. Yes, sir.

Mr. KENNEDY. Were there conversations between Mr. Langley, the district attorney, and Mr. Sheridan, who was under investigation?

Mr. ELKINS. There were; yes, sir.

Mr. KENNEDY. Now, at that time, was the tape-recording machine that you had taking down these conversations?

Mr. ELKINS. It was.

Mr. KENNEDY. So you have a good number of those conversations on tape?

Mr. ELKINS. That is right.

Mr. KENNEDY. Some of those conversations are between the district attorney and Mr. Sheridan who was under investigation?

Mr. ELKINS. That is correct.

Mr. KENNEDY. Were there also conversations dealing with the fact that this was going to be whitewashed?

Mr. ELKINS. There were.

Mr. KENNEDY. And what the district attorney would do if an indictment was returned by the grand jury?

Mr. ELKINS. Well, Mr. Maloney said they were returned and I don't believe they were, but he told Mr. Crosby and also told me that there

had been 1 returned, or 2 returned, and that Mr. Langley had stuck them in his pocket.

Mr. KENNEDY. Did he go on to say, "That shows how much guts that boy has"?

Mr. ELKINS. That is correct.

Mr. KENNEDY. Was the grand jury ultimately dismissed with nothing coming out of it?

Mr. ELKINS. They were.

Mr. KENNEDY. Nothing came of it?

Mr. ELKINS. There was nothing came of it.

Mr. KENNEDY. Mr. Chairman, I have finished with this section of my interrogation.

The CHAIRMAN. Do you want the witness to suspend?

Mr. KENNEDY. I have another matter that I want to go into with him, but I am finished as far as the liquor commission is concerned. I wanted to know if you had any questions.

The CHAIRMAN. I didn't understand who this conversation was with in the car there parked near your office.

Mr. ELKINS. The Governor and Mr. Langley. Mr. Maloney told me that the Governor, the understanding was that the Governor appreciated that fact and that they had that meeting. He didn't know that it was so close to my office that I had seen them sitting in the car talking.

The CHAIRMAN. In other words, you are not testifying just from hearsay. You actually saw them in the car together?

Mr. ELKINS. That is correct. I didn't hear what they said.

The CHAIRMAN. You didn't hear the conversation?

Mr. ELKINS. No.

The CHAIRMAN. But you know the meeting was held.

Mr. ELKINS. But they sat there for 45 minutes, or something like that, talking.

The CHAIRMAN. Are there any questions?

Senator GOLDWATER. Did you get tape recordings of that conversation?

Mr. ELKINS. Of the Governor? No, sir. That was in a car, Senator.

Senator GOLDWATER. Which were the tape recordings you referred to?

Mr. ELKINS. Of Mr. Sheridan and Mr. Langley in the apartment, where they met and discussed this matter.

The CHAIRMAN. You may proceed to the next matter.

Mr. KENNEDY. I would like to point out, Mr. Chairman, that this fits into the testimony that Mr. Morgan gave on Friday, regarding this investigation by the grand jury which was conducted by Mr. Langley and the fact that because of the relationship between the Governor and Mr. Langley, it was to be a whitewash and Mr. Elkins, according to his own testimony, played an active part in that.

The CHAIRMAN. All right.

Mr. KENNEDY. I now want to discuss a different subject with you. That is regarding the education and recreational center that was being built or was going to be built by the city of Portland. That was an \$8-million project, was it not?

Mr. ELKINS. That is correct.

Mr. KENNEDY. An exposition and recreation hall; that was an \$8-million project?

Mr. ELKINS. That is right.

Mr. KENNEDY. There was a five-man board appointed by the mayor to select a site where that structure was going to be built; is that right?

Mr. ELKINS. That is correct.

Mr. KENNEDY. Now, Mr. Clyde Crosby, the international representative of the teamsters in Portland, was appointed as 1 of the 5 members of that commission.

Mr. ELKINS. That is correct.

Mr. KENNEDY. Did he ever discuss that commission with you or discuss the property that was going to be selected by that commission?

Mr. ELKINS. Yes; he did.

Mr. KENNEDY. That was in early January of 1955?

Mr. ELKINS. To the best I can remember, yes.

Mr. KENNEDY. What did he say to you in that conversation?

Mr. ELKINS. Well, he called my home and left word for me to call him; it was important. I called him in the evening, and he told me that it was very important that he talk to me the next day.

I said, "Well, how about lunch?" and he said, "Fine; but come ahead of time, because I am going to discuss something with you." I went over about 10:30.

Mr. KENNEDY. Could you speak up, Mr. Elkins?

Mr. ELKINS. I went over to Mr. Crosby's office about 10:30 in the morning, and when I walked in his office I sat down, and he had a big map on his desk, and he asked me if I knew what that was. I said, "No; I am not familiar with maps, particularly of that type of map."

He said, "Well, you know I am on that recreation—\$8-million E. R. center." I said, "Yes; I do"; and I said, "That doesn't mean anything to me. What are you trying to tell me?" "Well," he said, "I can put it in one particular area if you tie up some of that property."

I said, "Well, you will have to explain it a little more thoroughly, Mr. Crosby," which he did. He said there was some institute, that the city had spent \$30,000, or, he said, "We have spent \$30,000."

Mr. KENNEDY. Is that Stanford University?

Mr. ELKINS. Yes; Stanford University Research, yes; and they had studied the different locations in Portland, and he explained that to me. They spent \$30,000 on that research. That was one of the choicest locations in Portland, and they eliminated several others.

I said, "It sounds interesting. Can we go to lunch and drive me around there if you want me to buy this property?" We got in Mr. Crosby's car and we drove around. We passed to Hazalow on the south and Williams on the east and Broadway on the north. I believe it was Larabee or the river, anyway, on the north.

(At this point in the proceedings Senator McCarthy entered the hearing room.)

Mr. KENNEDY. So you had a meeting with him, and he said that he thought he could select a place that was going to be chosen, and you said, "Well, let us drive around and see it."

Mr. ELKINS. That is correct.

Mr. KENNEDY. And see the grounds and the land, and so you took this drive, and what did you ultimately decide that you would do? Did he want you to purchase the property outright?

Mr. ELKINS. That is right.

Mr. KENNEDY. Did you object to that?

Mr. ELKINS. Yes; I said it would take too much money, and I didn't have that kind of money. I said, "How about options?" Of course, that was a little later on. He said, "That's fine." So we took the options.

Mr. KENNEDY. You agreed you would take the options on the place?

Mr. ELKINS. That's right.

Mr. KENNEDY. Now, after you met with him, did you go ahead and start to get options on that land?

Mr. ELKINS. We did; yes.

Mr. KENNEDY. Who is "we"?

Mr. ELKINS. I did and Tom Johnson.

Mr. KENNEDY. Who was he?

Mr. ELKINS. A colored man that owns the Keystone Realty Co.

Mr. KENNEDY. Was this a colored section of town?

Mr. ELKINS. That was; yes, sir.

Mr. KENNEDY. Why did you bring him in on it at all, and why didn't you just get the options yourself?

Mr. ELKINS. Tom Johnson owned a lot of real estate in that area previous to that, and Mr. Johnson had had a division of property with a former partner, and we thought him getting these options it would not create any comment.

(At this point in the proceedings Senator Mundt left the room.)

Mr. KENNEDY. Tom Johnson was a friend of yours, is that right?

Mr. ELKINS. That is correct.

Mr. KENNEDY. And he already owned some property in this section of town?

Mr. ELKINS. That is correct.

Mr. KENNEDY. And you felt that if you came in and started purchasing this property as a white person and started getting all of these options there would be some comment about it.

Mr. ELKINS. Yes; conversation about it.

Mr. KENNEDY. And so you operated through Mr. Tom Johnson?

Mr. ELKINS. Yes, sir.

Mr. KENNEDY. Did he go ahead and try to get some of these options?

Mr. ELKINS. He did.

Mr. KENNEDY. Did he get the options?

Mr. ELKINS. Yes, sir.

Mr. KENNEDY. During this period of time did you ask Mr. Crosby how long he would have to get the options for?

Mr. ELKINS. I did.

Mr. KENNEDY. How long did he say?

Mr. ELKINS. He said first, "It won't be made public, if you can get options for 2 months and I think it will come out publicly in 2 months that it will be in this area."

Mr. KENNEDY. Did you get them for that length of time?

Mr. ELKINS. Well, most of them we got for 4 months or 6 months or better.

Mr. KENNEDY. Did you keep Mr. Crosby advised as to what you were doing?

Mr. ELKINS. I did; yes, sir.

Mr. KENNEDY. What conversations did he have with you during this period of time? Did he say it was going along well or what did he say?

Mr. ELKINS. Well, first he did. He said it was going along a little slower than he had anticipated, and that he had opposition, other people wanted the auditorium site, and some of them were still insisting on the Delta Park area, although that was definitely out.

He felt that sooner or later he would swing it to this particular site.

Mr. KENNEDY. Was there another group that was trying to get options in the same area?

Mr. ELKINS. Yes.

Mr. KENNEDY. Did they approach Mr. Johnson, too?

Mr. ELKINS. They did, and they approached him to do the same thing that we were doing.

Mr. KENNEDY. What group was that?

Mr. ELKINS. Well, the Commonwealth, I believe.

Mr. KENNEDY. Commonwealth?

Mr. ELKINS. I believe so, yes, sir.

Mr. KENNEDY. What is that?

Mr. ELKINS. That is the realty firm owned by the bank, I believe, or a big corporation. It is one of the largest real estate groups in Portland.

Mr. KENNEDY. Did Mr. Crosby discuss with you about getting any money at the time?

Mr. ELKINS. That is right, and I told him that I would split whatever I got 50-50 with him, and I told Mr. Crosby whatever I received I would split 50-50 with him.

When this group propositioned Tom Johnson, Tom Johnson brought the proposition back to me and I took it to Clyde Crosby and he said, "Well, you're cutting it up pretty small if you let another group in."

I was suggesting that if they put up the money and returned our money, we should let them have it and us just accept the 25 percent of the net profit from it.

Mr. KENNEDY. Did he agree to that?

Mr. ELKINS. He finally did, but we never went any further with the deal.

Mr. KENNEDY. You never made the deal with Commonwealth?

Mr. ELKINS. No.

Mr. KENNEDY. Did you go ahead and get these options and what was the next event that occurred?

Mr. ELKINS. Well we got between three and four hundred thousand dollars worth of options.

Senator McCARTHY. Could you speak a little louder, please?

Mr. ELKINS. We picked up between three and four hundred thousand dollars' worth of options in that area. Then, we went along until May and there hadn't been any action taken on it. In May, I believe, I met Mr. Crosby on 20th Street and Division Street. We got in his car and drove across an intersection of 21st Street.

Mr. KENNEDY. Had he called you and said he wanted to meet you there?

Mr. ELKINS. That is right, and we talked on the phone 2 or 3 times on this. That was in the meantime, so we got in a squabble over the pinball issue and Mr. Crosby told me that he thinks that I am trying to influence Stanley Earl or did influence him to go against him.

I said, "What makes you think that I have influence over Stanley Earl?" He said, "A man that turned down what I offered him,

plus the backing of the teamsters or labor," and I don't remember just exactly what he said, "would either have to be owned by somebody or crazy or obligated."

I said, "Did it ever occur to you that maybe the man is honest"? and he said, "He is in labor, isn't he? He was a big shot in labor, wasn't he?"

Mr. KENNEDY. What else did he say to you?

Mr. ELKINS. Well, he told me I had tried to double cross Tom and Joe and he felt that the word was up.

Mr. KENNEDY. That is Tom Maloney and Joe McLaughlin?

Mr. ELKINS. That is correct. He felt he couldn't trust me if they couldn't. I said, "Well, how is it that they don't talk to me?"

Mr. KENNEDY. How were you supposed to have doublecrossed them?

Mr. ELKINS. By not setting up the things that they had asked me to set up, the gambling and the horse books and first one thing and then another. So we argued about that and he told me John Sweeney is mad at me and I told him, "I would like a chance to talk to John Sweeney and explain it to him." And he said, "That's your problem. I have got a job to do and there's nothing personal in it to me, but I am going to have to take out after you."

I said, "How are you going to go about that?" And he said, "I am going to get the chief of police removed."

Mr. KENNEDY. He said, "I am going to get the chief of police removed"?

Mr. ELKINS. That's right. I said, "What has that got to do with it?" "Well," he said, "in the first place he won't let these policemen make any extra money and they are underpaid." And I said, "Are you going to go on the mayor and tell him that you want the chief of police removed because he won't let his men take money?"

"Well," he said, "I won't put it that bluntly, but he will know what I mean."

Mr. KENNEDY. How was that going to affect you, Mr. Elkins?

Mr. ELKINS. Well, he said that they were going to just keep switching policemen until I couldn't operate. He took the attitude I was paying off some policemen.

The CHAIRMAN. Were you?

Mr. ELKINS. I was not. I didn't operate the places. I financed them.

Mr. KENNEDY. What is that?

Mr. ELKINS. I financed them, I didn't operate them.

Mr. KENNEDY. You didn't have to operate these places yourself?

Mr. ELKINS. No, sir.

Mr. KENNEDY. You just put up the money for them.

Mr. ELKINS. That is right and frankly, we weren't doing much operating.

Mr. KENNEDY. In that position you didn't have to pay off any policemen yourself?

Mr. ELKINS. No, I did not.

Mr. KENNEDY. Now, did he talk at all about this E. and R. situation?

Mr. ELKINS. We did. I believe I asked him, I said, "As long as we have gone this way," I had men working for me building a party room for him and I said, "I think you owe me a little money on that

party room. Suppose you pay it as long as we are at the parting of the ways." He said, "I feel what I have done for you in the past should well take care of that." And I said, "What have you done for me in the past?"

He said, "I have got the feeling you wouldn't take care of me on that E. and R. center if it does go there." And I said, "You know it is not going that way and as far as I am concerned we threw a craps on that one."

He said, "It can still go there, but how can you expect me to trust you to give me my end of it without you want to put up a forfeit?" I said, "A forfeit for what?" and he said, "If you will trust me with \$5,000, if I don't put it there, I will give it back to you."

I said, "But I don't trust you either."

Mr. KENNEDY. He wanted you to give him \$5,000?

Mr. ELKINS. That's right, supposedly to hold or guarantee his payment of his end of the returns or what we would make on there.

Mr. KENNEDY. He said he could not trust you, that if he got it there you would not give him any money, is that right?

Mr. ELKINS. That's right.

Mr. KENNEDY. So he wanted you to give him \$5,000 then, so that if the place went there you would pay him.

Mr. ELKINS. That's right.

Mr. KENNEDY. That would be a downpayment on what you owed him?

Mr. ELKINS. That's right.

Mr. KENNEDY. What did you say to him about giving him the \$5,000?

Mr. ELKINS. I said, "I wouldn't give you the \$5,000 because I don't trust you."

(At this point in the proceedings, Senator McNamara entered the hearing room.)

Mr. KENNEDY. Was that the end of the conversation?

Mr. ELKINS. No. We argued for an hour about various things and then he left. Crosby left and about a week or maybe less, I got a call on long distance, I suppose, from Los Angeles, that is where he said he was at, from Mr. Joe McLaughlin.

Mr. KENNEDY. In this conversation in the car, had Crosby stated to you that John Sweeney and Frank Brewster were mad at him, Crosby, for going into this deal with you?

Mr. ELKINS. No; the deal was just between Clyde Crosby and I and we weren't to discuss it with anybody and he didn't want them to know about it at that time. That was something that he and I were going to cut up without the rest of them knowing it.

Mr. KENNEDY. Did he relate to you that they had found out about it?

Mr. ELKINS. No; Joe McLaughlin related to me on the phone that Clyde told him about it on the trip south on the plane, after the falling out with me.

He had gone before John Sweeney and Frank Brewster and admitted that he had made this side deal with me and they gave him the devil for it. The outcome of it was as long as they were all in on the plan now, that it would be resurrected and really secured, providing that I would put it in writing and give them a third of it.

I said,

Well, I don't have anything in writing, but I think it could be arranged. So far as I am concerned, you can take the whole thing.

Mr. KENNEDY. Was this related to you by Joe McLaughlin on the telephone?

Mr. ELKINS. It was; yes, sir.

Mr. KENNEDY. He is the one that said that Frank Brewster and Sweeney were mad at Crosby for having made this deal with you?

Mr. ELKINS. He almost fired him over it and if it hadn't been for Joe McLaughlin's influence with them, he might have got fired.

Mr. KENNEDY. Did Joe say that he would take over Crosby's part of the deal?

Mr. ELKINS. That's right.

Mr. KENNEDY. What did you say?

Mr. ELKINS. I said, "All right, I will talk to Tom Johnson about it; call me back," which he did.

Mr. KENNEDY. Did you confer about that?

Mr. ELKINS. I did, and I said, "When do you want to come up?" and he said, "Well, I have to make a trip to Denver and when I finish that I will come to Portland."

We were to go ahead with it. He said, "If this works out, then I think I can patch up our differences."

Mr. KENNEDY. Joe said this to you?

Mr. ELKINS. Yes, "And if you perform right on this, then you are back in again."

Mr. KENNEDY. Did you meet with him when he got back to Portland?

Mr. ELKINS. Yes; the first part of June I met with him.

Mr. KENNEDY. What did you decide to do at that time?

Mr. ELKINS. Well, we went over on the east side and Tom Johnson's place of business and Joe picked Tom up and drove around this area and came back and picked up the options and a list of them and the contracts and various contracts Tom had and went back to the Heathman Hotel and turned them over to Joe McLaughlin and he wanted Clyde Crosby to look at them.

Mr. KENNEDY. Did you have a further meeting on it when you were going to sign a contract with Joe McLaughlin?

Mr. ELKINS. We did. That was on Saturday. On Sunday I met him and I went to Rus Sloniger who was an attorney.

Mr. KENNEDY. What was the attorney's office?

Mr. ELKINS. I beg pardon?

Mr. KENNEDY. What was the attorney's name?

Mr. ELKINS. Rus Sloniger. We got a white real estate man named Kelly. He was with us and it was on a Sunday and he didn't have a girl so Sloniger typed out the agreement himself. We got in an argument or discussion about whether we would accept any options that were taken on the borderline or outside of this particular area.

The final outcome of that was that Joe McLaughlin called someone, saying he was going to call Clyde and it was a very small room. There was a little partition in it. During the conversation I heard him mention Clyde and I don't know whether he actually talked to Clyde but he came back in the room with a map in his hand and he said, "You put a ring around here but you had better put in this option that we have the right to accept or reject any option taken outside of this particular area."

MR. KENNEDY. So between you and McLaughlin there was a dispute as to some of the options and what the contract should cover; is that right?

MR. ELKINS. That is correct.

MR. KENNEDY. And so McLaughlin said in the middle of the conversation, "I will go and call Clyde Crosby and find out what property would be covered in this."

MR. ELKINS. That is the best of my recollection.

MR. KENNEDY. Then he went and called and during the course of the conversation you heard him state the name "Clyde"; is that right?

MR. ELKINS. Well, I would say on one time, anyway.

MR. KENNEDY. Did he come back and relate to you that he had talked to Clyde Crosby and this was what Crosby wanted?

MR. ELKINS. No; I don't think that he said that. He didn't say, "I talked to Clyde Crosby." He said, "I talked to my man."

Senator McCARTHY. Could I ask a question there? The identity of Crosby has been very well established. Do we have any evidence that Brewster, for example, was to get anything out of this deal, or was this just some of the lower echelon working on this fast deal?

MR. KENNEDY. You will have to answer that, Mr. Elkins.

MR. ELKINS. First, there wasn't anyone but Crosby and I to share in it to start with. Then, later on, I don't know whether they talked to Brewster or whether they had admitted to Brewster he had made a side deal or not. All I have is Joe McLaughlin's word for it.

Senator McCARTHY. In other words, you have no information at all that Brewster was to share in this deal?

MR. ELKINS. I never talked to Mr. Brewster about it; no, sir.

Senator McCARTHY. And no indication that the laboring men in the teamsters were to have any of this money put in their coffers?

MR. ELKINS. No, I didn't; no, sir. I am pretty sure they weren't such.

Senator McCARTHY. You would be very surprised if they were getting anything out of it?

MR. ELKINS. Yes, sir.

MR. KENNEDY. Mr. Chairman, we have two affidavits that are in point here which I would like to read into the record.

The CHAIRMAN. You may proceed. You may identify the affidavits and read them into the record unless there is objection.

MR. KENNEDY. The first one is an affidavit by C. R. Sloniger, sworn and subscribed to on the 15th day of February 1957, by a notary public, Frank Deich.

I, C. R. Sloniger, am an attorney at law admitted to practice before the bar of the State of Oregon. I make the following voluntary statement in the presence of Jerome Adlerman, assistant counsel, and Alphonse Calabrese, professional staff member of the United States Senate select committee which is known to me to be investigating improper activities in labor or management fields.

Sometime in early June 1955, I was called by Mr. John W. Kelley, a realtor, on a Saturday evening, to prepare a legal agreement. An appointment was made to meet the following morning, Sunday, at my offices in the Loyalty Building, Portland, Oreg.

Mr. Kelley, Mr. Jim Elkins, and a person who was identified to me at that time as Joseph P. McLaughlin came to my office. They told me the type of agreement they wanted to be drawn between James Elkins, Joseph P. McLaughlin, and Tom Johnson. I knew Johnson by reputation only.

Mr. Tom Johnson was not present at the Sunday morning meeting. I was told that the parties wanted an agreement to purchase and sell certain real property which embraced an area across the river near the steel bridge encompassing an area of several square blocks.

Since this was Sunday I sat down to type the agreement myself and discussions were had about the area which would be covered in this agreement. One of the parties brought out a map which was marked with a red line showing the area covering the site near the steel bridge. Part of the discussion concerned itself with whether the agreement should cover an area outside of the redlined portion of the map.

Other parts of the discussion concerned itself with options already secured, appraisals on the options obtained and to be obtained, discussions about expenses and similar items. These discussions were between Mr. Elkins, Mr. McLaughlin, and Mr. Kelley.

Mr. Kelley, who was there as a realtor, did not participate to any extensive extent in these discussions. The discussions and the preparation of the agreement extended from 11:30 in the morning to 2 in the afternoon.

During the course of the discussions Mr. McLaughlin went to the small adjacent outer office and made a telephone call to a person whom I believe was addressed by the name of "Clyde." The purpose of this discussion was to obtain authorization to enlarge the area to be covered by the agreement to take in a portion outside of the area encircled by the red line on the map.

In the course of the discussions it was obvious to me from the location and news that the site discussed where the options were to be obtained and were already obtained was in some way connected with the exposition and recreation site.

The contract was not signed in my presence because Johnson was not there. That was the only participation that I had in the matter of drawing up this agreement.

This statement consisting of three pages, which has been read by me, is true and correct to the best of my knowledge.

(Signed) C. R. SLONIGER.

The CHAIRMAN. It may be printed in the record at this point.

May I ask about that written agreement. Do we have a copy of it?

Mr. KENNEDY. We do.

The CHAIRMAN. I think it could be placed in evidence.

Senator McCARTHY. I am not objecting to this being placed in the record, but I do feel that as a matter of practice we should not put affidavits in the record unless the witness appears and swears that the contents of the affidavit are accurate. I do not think that counsel should be burdened or the committee should be burdened with going over many of the details, but as I understand the law it is no criminal offense in the State of Oregon to sign a false affidavit unless you are required to sign one under the law.

Therefore, a man can sign an affidavit with impunity and put it in the record, and it carries a certain amount of weight. I do strongly feel that we should not accept affidavits unless the witness is here, and as I say not necessarily go over all of the details but if he says, "Yes, that is my affidavit; I swear that is true," then it is sworn testimony.

I make that point because certainly out of these hearings there will arise some perjury cases. I think that record should be very carefully made.

I am not going to object to this, Mr. Chairman, but as a general proposition I hope we follow the other procedure in the future.

The CHAIRMAN. The Chair will make this observation: I think one bit of instruction should be given to the staff in taking these affidavits hereafter. They should state or the affiant should state in his affidavit he understands the affidavit is to be presented to this committee and placed in its printed record.

Now, the Chair will say this: If you were trying someone, of course, on a crime, the affidavits would not be admissible, but we are going to try to operate as economically as we can, and instead of having all of the witnesses that know something about a thing come all of the way across the country here to testify, which is expensive, where we have positive testimony from a witness such as was given by this witness, and then an affidavit just corroborates one circumstance of it, unless the committee objects I am going to permit corroborating affidavits where they are taken with the purpose of becoming a part of the record and where the witness so knows and acknowledges they are going to be put in the record.

If anyone has any doubt about it, as to the validity or the truthfulness of the statement, we can thereafter have them subpoenaed if the committee desires to do so.

Senator McCARTHY. Mr. Chairman, may I say I do not intend to object. I have no idea at all as to whether the affidavit is correct or not, but I wonder if it would not be a good idea in view of the fact that these hearings will last a long time, that we obtain from the Attorney General an opinion as to whether or not a false affidavit, or rather I should say the signer of a false affidavit can be prosecuted under any phase of the law.

The CHAIRMAN. I would make the statement that that may be done, and it would take time to do it, but anyone making an affidavit acknowledging at the time that it was to become a part of this record would be in contempt of the United States Senate if he stated a lie in that affidavit. So we would have a way to reach him.

All the Chair is trying to do is to economize in our finances, and also our time. We can have all of these witnesses here, and we have a good many here, but that was the only thought the Chair had.

Of course, if it becomes a serious matter, the committee can overrule the Chair.

But I do think very frankly we will run into these things as we go along. The staff should be instructed, and the Chair now gives that instruction, and I want this gotten out to those in the field making these investigations: Where an affidavit is taken, I want it stated in that affidavit that the affiant understands and agrees that this affidavit may be made a part of the record of this particular committee. I think that will make them a little bit careful. I do think that one making such an affidavit and placing it in this record, if the affidavit is false, would subject the offender to a contempt proceeding.

Senator McCARTHY. Mr. Chairman, I do not want to spend any more time on this subject. I have discussed it with some of the United States attorneys, some of those who may be called upon to prosecute some of these cases, and they are very concerned that the record be pluperfect, if I may use the word.

A suggestion that I wish the Chair would consider, and not make a decision on it now, is to pass a rule authorizing a designated staff member, either the chief counsel or some other designated staff member, to swear the witness and under oath have him swear that the affidavit was true, so that when the perjury cases come up—and we know they are going to come from the preliminary review we have of this—the hands of the United States attorney will not be tied. I am not asking for any decision on that at this time, but I hope that the Chair considers that as a possible alternative.

The CHAIRMAN. The committee can consider it in due time.

I make this observation: I think in the meantime we ought to ascertain whether the committee can vest authority in a staff member to administer an oath. I have some doubt about it. You had better check on that further.

This agreement, I wish you would exhibit this to the witness, please. It is a photostatic copy, I understand, of the agreement that the witness has testified to, and that the affidavit refers to. I will ask the witness to examine it and state whether that is the agreement referred to in the affidavit just read, and the agreement about which you previously testified.

Mr. KENNEDY. While he is doing that, while reading that other affidavit, I read in a date which had been crossed out which I didn't notice, which should be taken out of the record. I have shown that to the reporter.

The CHAIRMAN. All right. The reporter understands that, when an affidavit is read, it is presented to you and you are to record it just as the document is; and, if a word is misquoted or something, that will be taken care of.

Mr. KENNEDY. It is not material, Mr. Chairman.

The CHAIRMAN. All right.

(Document was handed to the witness.)

The CHAIRMAN. Let us have order, please.

Have you concluded the examination of the document?

Mr. ELKINS. Yes, sir.

The CHAIRMAN. What is that document?

Mr. ELKINS. It is an agreement between Tom Johnson, Joe McLaughlin, and myself, to divide equally the options purchased for this E. R. center, the steel bridge area.

The CHAIRMAN. Did you sign it?

Mr. ELKINS. I did; yes, sir.

The CHAIRMAN. Does that bear your signature? That is a photostatic copy, I believe.

Mr. ELKINS. Yes, sir; it is my signature.

The CHAIRMAN. Do you recognize the signatures of the other two signers or did you see them sign it?

Mr. ELKINS. Yes; I saw them sign it, and it looks like the signature of their signing, and I am sure it is.

The CHAIRMAN. You saw the original of that document signed by the other two whose names appear there?

Mr. ELKINS. Yes, sir.

The CHAIRMAN. All right. That document may be made exhibit No. 35. I do not think it is necessary to print it in the record. We will just make it an exhibit for reference.

(The document referred to was marked "Exhibit No. 35" for reference and may be found in the files of the select committee.)

Senator McCARTHY. Could I ask one question, Mr. Chairman, so that the record is straight?

As far as you know, the affidavit read by Mr. Kennedy is completely correct?

Mr. ELKINS. Yes, sir; they were both present at the time. As far as I know, this is the way I read it. I can see nothing wrong with it.

Senator McCARTHY. In other words, you can see nothing false in the affidavit that was read?

Mr. ELKINS. No, sir, I don't.

The CHAIRMAN. We have not brought out just what that contract provides. It is in the record, Mr. Counsel. Can you make a brief statement as to what it provided?

Mr. KENNEDY. It was a contract between these three individuals to control certain options that had already been purchased, and it was an agreement to purchase certain other options within a designated area.

Is that correct, Mr. Elkins?

Mr. ELKINS. That is correct.

The CHAIRMAN. What interest did each of the three signers have in it?

Mr. ELKINS. We were to each have a third. Mr. McLaughlin, I believe, Mr. Tom Johnson, and myself, had put up \$6,000 to purchase options with. At that time, Mr. McLaughlin gave a check drawn to Tom Johnson for \$2,000, which made him a third of that amount, which was to buy, to purchase, options in that area, sir.

The CHAIRMAN. As I understand, this contract was drawn after the thing had fallen through when you and Crosby originally started it? This was after your original deal with Crosby had fallen through?

Mr. ELKINS. That is right; yes.

The CHAIRMAN. This was after McLaughlin came into the picture?

Mr. ELKINS. That is correct.

The CHAIRMAN. Is he the same McLaughlin who testified here a few days ago?

Mr. ELKINS. Yes, sir.

The CHAIRMAN. And the one that came down from Seattle?

Mr. ELKINS. That is right.

The CHAIRMAN. In this contract, did Mr. Crosby have any interest or part in this new contract, or was he to get any part of the profits?

Mr. ELKINS. Well, I believe he called me after this contract was drawn, and asked me was I going to still take care of him out of my third of this E. and R. center, or was he to get his from Mr. McLaughlin.

The CHAIRMAN. What did you tell him?

Mr. ELKINS. He wanted it in writing, I didn't, he is the one that called in more partners, I didn't, to get it from them.

The CHAIRMAN. To get it from those he called?

Mr. ELKINS. That is right.

The CHAIRMAN. You spoke about a check being given by McLaughlin. To whom was that given?

Mr. ELKINS. To Tom Johnson.

The CHAIRMAN. To Tom Johnson?

Mr. ELKINS. Yes; he gave the check to me, and I delivered it to Tom Johnson.

The CHAIRMAN. Was it made payable to Tom Johnson?

Mr. ELKINS. Yes, sir.

The CHAIRMAN. You saw the check? You actually delivered it?

Mr. ELKINS. I did. I delivered it, sir.

The CHAIRMAN. I just asked counsel if we have that check.

Mr. KENNEDY. There is some question about what happened to the check, as I understand it, about who has it.

Mr. ELKINS. I gave it to Tom Johnson. He deposited it to his account, I presume.

Mr. KENNEDY. I guess it is the check that you ultimately gave to Joe McLaughlin when you people finally broke up, is that it?

Mr. ELKINS. No. One piece of property we bought for \$4,000 and sold for \$5,200, when we ultimately broke up. In the first part of 1956 I gave Joe McLaughlin a cashier's check for \$600 and—it was less than \$675. I don't remember the exact figures on it, but it was over \$650. It is a cashier's check on the Metropolitan Branch of the United States National that drew the cashier's check.

(At this point, Senator Ervin entered the hearing room.)

The CHAIRMAN. At the time you entered into this contract, was it anticipated that with the options, when exercised, the land would be sold for this recreation center?

Mr. ELKINS. That is correct, sir.

The CHAIRMAN. How did you expect to make the sale?

Mr. ELKINS. Through these real estate people. We put up \$100 or \$200 on a piece of property, and we felt as soon as it was made public that the E. R. center was going there, then we could get finance on the deal to go on and purchase the property.

The CHAIRMAN. How did you expect to get the center located at that place?

Mr. ELKINS. Through Clyde Crosby. He had told me repeatedly that he could put a ring around that area. Joe McLaughlin told Tom Johnson and I that he could put a ring around it.

The CHAIRMAN. By putting a ring around it, what do you mean?

Mr. ELKINS. I mean that he was guaranteeing that it would be put in that area.

The CHAIRMAN. In other words, that he could guarantee, as a member of the commission, to locate it—as a member of the city commission to locate that center—and that he could put it within that area, the area where you had circled?

Mr. ELKINS. He explained to me that he had two members on this E. R. center commission; that he had enough influence, he felt, that he could put this in that area as long as the Stanford Research people had recommended that place as being one of the locations; that it wouldn't be out of order for him to handcuff these people on selecting that area.

The CHAIRMAN. In other words, the Stanford Research School or Institute had approved, after making a survey, more than one area?

Mr. ELKINS. That is right. But they eliminated several outside areas and settled on that area, or maybe 1 more or 2 more.

The CHAIRMAN. They eliminated some prospective areas, and they also approved this one and 1 or 2 more?

Mr. ELKINS. That is correct, sir.

The CHAIRMAN. And it was Crosby's job that what he had in mind was, and what he was assuring you, was, that he believed he had enough votes on the commission to get it put in this particular area where you were getting the option?

Mr. ELKINS. That is right, sir.

(At this point, Senator Mundt entered the hearing room.)

The CHAIRMAN. He is the one that instigated the whole idea of going out and getting options to make some money off of them in that area?

Mr. ELKINS. That is correct, sir.

The CHAIRMAN. He is the one that first mentioned it to you?

Mr. ELKINS. That is right.

The CHAIRMAN. So far as you know, he is the first one that ever mentioned it to McLaughlin?

Mr. ELKINS. I am sure that he was, because there wasn't anyone else to mention it, other than he and I and Tom Johnson, and I don't think he knew Tom Johnson at that time, sir.

The CHAIRMAN. So it was his original idea, Crosby's?

Mr. ELKINS. That is correct.

Mr. KENNEDY. Here are the options, Mr. Chairman.

The CHAIRMAN. Did you secure a number of options?

Mr. ELKINS. We did; yes, sir.

The CHAIRMAN. Did you have, or have you delivered to the staff, a photostatic copy of the options you secured?

Mr. ELKINS. I believe I did; yes, sir.

The CHAIRMAN. Did you give the staff a list of them?

Mr. ELKINS. Yes, sir.

The CHAIRMAN. Will you examine this document and see if that is the list of options that you gave to the staff?

Mr. ELKINS. Yes, sir.

(Document handed to witness.)

The CHAIRMAN. Is that the list you furnished to the staff of the committee?

Mr. ELKINS. Yes, sir.

The CHAIRMAN. It may be made exhibit No. 36, for reference only. It need not be printed in the record.

(The document referred to was marked "Exhibit No. 36" for reference and may be found in the files of the select committee.)

Mr. KENNEDY. Mr. Chairman, we have the minutes of that Exposition and Recreation Commission which was to select the site, and there are 2 pertinent entries dated October 5, 1955, which bear on this situation.

The CHAIRMAN. Do we have anyone here who can testify to the minutes, how they were procured?

Mr. KENNEDY. No, we do not.

The CHAIRMAN. We will not place it in the record at this time. You may make a statement to the members of the committee of what the parts are you referred to, but it will not be considered a part of the official record.

Mr. KENNEDY. It is listed "Exposition and Recreation Commission, minutes of meeting October 5, 1955, 10 a. m., 623 Park Building. Present: Commission Chairman Polhemus, Commissioners Linden, Richardson, Crosby, and Carson." The statement here in the minutes says

The Commissioner Crosby asks that Secretary Krieg read the resolution which he proposed, Resolution 30—

* * * covering the placement of the center at Delta Park, with the possibility of revamping the auditorium at a future date. Krieg read the resolution, after which Crosby stated that he wished to qualify his position to the effect that he has always, since the SRI report was made available, advocated development of the Broadway Steel Bridge as a site for the center. After realizing, Crosby stated, that it is impossible to convince other members of the commission, he changed his thinking to that which is outlined.

This Broadway Steel Bridge site is the one that you people purchased the options on; is that correct?

Mr. ELKINS. That is right.

Mr. KENNEDY. Then it goes on to say, Mr. Chairman—

Crosby said that he had heard many reasons for and against each of the two sites being considered. He went on to say that we now have a population of four or five hundred thousand people, and did not feel we could justify the spending of money without looking ahead 10 years or so, to facing a population of twice that figure. He stated at that time, distance would be of little significance. He continued that some of the statements Mr. Richardson had made in his report he did not agree with. Stanford Research had advocated a central not a downtown site, said Crosby, and he had spent many months trying to convince the commission that a central site (Broadway Steel Bridge area), was desirable. He was, however, compromising his position, and feels his choice is best for the people and will bring the people the best return.

The CHAIRMAN. Go ahead and develop what happened to this.

Mr. KENNEDY. Mr. Chairman, we have another affidavit. Mr. Kelley, who was present with Mr. Sloniger, Mr. Elkins, and Mr. McLaughlin, has also filed an affidavit which, in substance, is the same as Mr. Sloniger's statement.

The CHAIRMAN. May I ask if this affidavit refers to a time when Mr. Elkins was present?

Mr. KENNEDY. That is correct.

The CHAIRMAN. It is an incident that he can testify to or has testified to?

Mr. KENNEDY. That is correct.

The CHAIRMAN. Without objection, the affidavit may be read into the record.

Mr. KENNEDY. It was sworn to before the clerk of the court of the United States district court.

ROOM 510, UNITED STATES COURTHOUSE,
Portland, Oreg., February 15, 1957.

STATE OF OREGON,

County of Multnomah, ss:

I, John William Kelley, make the following true and voluntary statement to Jerome Adlerman, assistant counsel, and Alphonse Calabrese, professional staff member of the United States Senate select committee investigating improper activities in the labor or management field. No offer or promises or threats have been made to me for making this voluntary statement.

I reside at 4305 Southeast Ramona Street. I am in the real-estate business under the firm name of John L. Kelley & Sons, 5627 Southeast Woodstock Boulevard. In the past I have had some real-estate dealings with both Jim Elkins and his brother Fred.

(At this point the chairman withdrew from the hearing room.)

Mr. KENNEDY (reading):

During the latter part of January or the first part of February 1955 Jim Elkins came to my office and asked me to look at some houses on which he had obtained options. Elkins wanted to know whether he had paid too much for these options. The houses were located in the Williams Avenue area, which is also in the Broadway-Steel Bridge area. I drove with Jim Elkins to the sites and recall advising him that he was paying too much for several of the houses. He then asked me whether the location of the houses was such that the entire block would be tied up. I told him that he had the proper locations to accomplish this.

The next thing that occurred was when Jim Elkins dropped by the office and asked me to look at some option forms which had been executed. I told him to contact an attorney since I wasn't one, and Jim stated that he just wanted me to look over the forms to see that they had been executed properly. I looked at them and told him that they appeared to be all right. I should state that all the options were made out in the name of Tom Johnson, whom I knew only by reputation.

Some time later, in approximately March of 1955, Jim Elkins asked me to go with him to Tom Johnson's office at the Keystone Investment Co. I accom-

panied Jim Elkins and after we got to Tom Johnson's office, Herman Plummer, a colored realtor, brought a number of options in for me to look at. I found out that Herman Plummer had been buying the property in the Williams Avenue area, which is predominantly Negro, and that he was doing this for Tom Johnson and Jim Elkins. At this meeting Johnson and Elkins became engaged in discussion of acquiring additional property and land in the Williams Avenue area. After we left the office I became curious about what was going on and received an inkling that this was something big when Jim told me that they had a friend and had an "in."

During the first part of June of 1955, on Saturday afternoon, Jim Elkins and a man who was introduced to me as Joe McLaughlin came in to my office. McLaughlin stated he wanted to use my typewriter to do some work. In my presence he and Jim talked about the options and also discussed the matter of assigning one-third interest of the options each to Joe McLaughlin and Jim Elkins by Tom Johnson. They then decided to write up a contract as to the assignments and they agreed that a blanket agreement should be made whereby Tom Johnson would have a third interest, McLaughlin would have a third interest, and Elkins would have a third interest.

(At this point, the chairman entered the hearing room.)

Mr. KENNEDY (reading):

They then asked me to draw this up into a contract and I told them I could not do it as I was not an attorney. Jim Elkins endeavored to get an attorney but was unsuccessful and then asked me if I could suggest an attorney. I told them that I could and I made a telephone call to Attorney C. R. Sloniger with offices in the Loyalty Building, Portland, Oreg. Upon talking to Mr. Sloniger he said that he would not be available that afternoon but agreed to come down to his office on the following morning, which was a Sunday. He stated that he wanted me present at this meeting.

The next morning at 11 o'clock, Jim Elkins, Joe McLaughlin and myself came to Sloniger's office where the whole matter of the contract was openly discussed by Joe McLaughlin and Jim Elkins with many questions being asked of Mr. Sloniger and myself. I recall that McLaughlin had a map of a section of the city of Portland in his possession which was similar to an engineer's plat. This map had a line drawn in red pencil around the Williams Avenue area and I recall that it was from the river to First Avenue and from Broadway on the north to Hassalo on the south.

A discussion arose between Jim Elkins and Joe McLaughlin as to how much of the land should be described in the contract and also whether they should mention land which they hoped to obtain in the future in this area. I should state that by this time I knew definitely about what their interest was as they openly discussed the fact that this was land where a proposed exposition-recreation center was going to be built.

During their conversations Joe McLaughlin and Elkins mentioned the name of Crosby on at least six occasions and at one point, when a question of the extension of the area to be acquired came up, McLaughlin stated that he wanted to use the phone to call Crosby to check out on this matter. McLaughlin then went into a room partitioned off from the room in which we were, leaving the door open. I heard him dial a number and then he asked for Mr. Crosby. He then started a conversation and discussed the matter under question. When he came back it is my recollection that McLaughlin then pointed to the map and said that Crosby had put a ring around this area. It is my belief that McLaughlin called because apparently Jim Elkins, who was paying for the options and for that matter this whole venture, wanted to be sure that before he paid for any further options on the extended area that he would receive some assurance that this area would be profitable in the exposition-recreation venture. It is my best recollection that the total gross options held by Elkins, McLaughlin and Johnson was about a half a million dollars. I want to say that I did not know what Crosby's interest in this venture was, nor did I know at the time that his name was mentioned that he was a member of the exposition-recreation commission which was to decide on the proposed building site.

I did not know Joe McLaughlin until I had been introduced to him by Jim Elkins and have not seen him since nor been in contact with him. Likewise I have not seen Tom Johnson since the time that I visited his office with Jim Elkins.

Mr. Sloniger, because his secretary was not at the office, typed up the contract agreement, but none of the parties signed it in Mr. Sloniger's or my presence, apparently in view of the fact that Tom Johnson wasn't there.

This statement consisting of five pages, which has been read by me, is true and correct to the best of my knowledge.

JOHN W. KELLEY.

Signed in the presence of:

ALPHONSE CALABRESE, February 15, 1957.

JEROME ADLERMAN, February 15, 1957.

Sworn to and subscribed before me on the 15th day of February 1957.

R. DEMOTT,

Clerk, United States District Court.

By THONA LUND, *Deputy.*

The CHAIRMAN. That may be printed in the record.

Mr. KENNEDY. Mr. Elkins, after this meeting, you went and signed this contract, did you?

Mr. ELKINS. We did, yes.

Senator McCARTHY. Could I ask a question?

After hearing that affidavit read, to your knowledge is there anything false in it?

Mr. ELKINS. No, I don't believe there is. As near as I could follow, it was just about the way it happened. He remembered the name of Crosby. There were a couple of times there where I didn't, but I think outside of that it was about the same.

The CHAIRMAN. What you mean is he referred to Crosby by name, whereas you had referred to him as Clyde?

Mr. ELKINS. That is correct, sir. That has been almost 2 years ago, and I couldn't repeat the exact words.

The CHAIRMAN. Whether he said Crosby or Clyde, there was never any doubt in your mind about who he was talking about?

Mr. ELKINS. No. That is correct.

Mr. KENNEDY. You were saying, Mr. Elkins, that you did not remember Mr. Crosby's name being mentioned to him at any time; is that right?

Mr. ELKINS. That is right. Maybe I just didn't notice. If you know who a man is talking about, sometimes you don't pay any attention when they do mention his name.

Senator McCARTHY. But as far as the substance of the affidavit is concerned, your memory is that it is an accurate affidavit?

Mr. ELKINS. That is correct, sir.

Mr. KENNEDY. You signed the contract within the next few days, did you, Joe McLaughlin, you, and Tom Johnson?

Mr. ELKINS. I believe it was that same night in Mr. Plummer's office.

Mr. KENNEDY. What finally was the result of this whole matter?

Mr. ELKINS. Well, there was no result. The site hasn't been selected yet.

Mr. KENNEDY. And your options ran out?

Mr. ELKINS. That is correct.

Mr. KENNEDY. Was your contract ever given up?

Did you ever dissolve the contract?

Mr. ELKINS. No. We had a final settlement on the contract, but we didn't make any legal—we didn't draw up any legal termination of it or anything.

Mr. KENNEDY. There was a final settlement, however?

Mr. ELKINS. That is correct, sir.

Mr. KENNEDY. You turned over some money to Mr. McLaughlin?

Mr. ELKINS. A check that I just repeated.

Mr. KENNEDY. Approximately \$650 or \$675?

Mr. ELKINS. \$650 or \$660. I don't remember the exact figure.

Mr. KENNEDY. That was the end of it?

Mr. ELKINS. That is right.

The CHAIRMAN. You testified what bank that check was on, and I believe you said it was a cashier's check.

Mr. ELKINS. That is right, sir.

The CHAIRMAN. The staff should make inquiry to see if you can obtain a photostatic copy of that check.

Mr. ELKINS. The attorney general of Oregon has one. I seen it yesterday, sir.

The CHAIRMAN. The attorney general of Oregon has a photostatic copy of it?

Mr. ELKINS. That is correct.

The CHAIRMAN. I suppose it can be secured from the bank. Notify our investigator out there to check on it.

Mr. ELKINS. It is the Metropolitan Branch of the United States Bank.

Mr. KENNEDY. Mr. Elkins, there are 2 or 3 matters that you mentioned in the course of this discussion, and in our interview with Mr. Crosby regarding the same matter, where he disagrees with you. I would like to go over those with you.

Mr. ELKINS. All right.

Mr. KENNEDY. First, on the question of the time where you fix this meeting with Mr. Crosby, how did you fix that meeting with Mr. Crosby, where you met with him in the car?

Mr. ELKINS. Well, on about the 18th or 19th, I believe, to the best of my recollection, they voted on the pinball situation. There had been a championship fight which Mr. Crosby and myself mentioned, that he and Joe McLaughlin just returned—in fact, they stated they both watched this fight in San Francisco.

(At this point, Senator Goldwater withdrew from the hearing room.)

Mr. KENNEDY. Did he say they went to the fight together?

Mr. ELKINS. I believe that is what he told me; yes, sir.

Mr. KENNEDY. Mr. Chairman, when Mr. Crosby was interviewed by Mr. Adlerman and myself in Portland, he stated that they had not gone to the fight together, and that they had gone down separately and just happened to meet on their way to the fight.

Mr. ELKINS. He asked me, he said, "You must be a pretty good detective if you traced down the fact that Joe and I even took the same plane to San Francisco."

Mr. KENNEDY. They took the same plane to San Francisco?

Mr. ELKIN. That is correct. But I wasn't positive of that.

Mr. KENNEDY. Because of the importance of trying to determine who was telling the truth between Elkins and Mr. Crosby, who said that he did not know Mr. McLaughlin, did not know him well, that he had only seen Mr. McLaughlin on 1 or 2 occasions, we felt that this was something important to check out. We have a witness here to testify on this particular point.

The CHAIRMAN. Would you like to have that witness now?

Mr. KENNEDY. I would like to, if I may.

The CHAIRMAN. Call your witness.

Mr. KENNEDY. Mr. O'Connell.

(Members present at this point: The chairman, Senators McNamara, Ervin, McCarthy, and Mundt.)

The CHAIRMAN. Will you be sworn?

You do solemnly swear that the evidence you shall give before this Senate Select Committee shall be the truth, the whole truth, and nothing but the truth, so help you God?

Mr. O'CONNELL. I do.

TESTIMONY OF WILLIAM O'CONNELL

The CHAIRMAN. State your name, place of residence, and business or occupation.

Mr. O'CONNELL. William O'Connell. I reside at 2354 Southeast 53d Street, Portland, Oreg.

The CHAIRMAN. What is your business?

Mr. O'CONNELL. I am a representative of the Teamsters' Joint Council of Portland, Oreg.

The CHAIRMAN. How long have you been a representative of the teamsters?

Mr. O'CONNELL. I have worked for organized labor for approximately 20 or 21 years. I have been employed directly by the joint council since early in 1940.

The CHAIRMAN. All right, Mr. Kennedy.

Mr. KENNEDY. Mr. O'Connell, you have an air-travel card, have you?

Mr. O'CONNELL. Yes, sir.

Mr. KENNEDY. Do you have it on you?

Mr. O'CONNELL. Yes, sir.

Mr. KENNEDY. Would you get it out?

The CHAIRMAN. I forgot to ask you if you waive counsel.

Mr. O'CONNELL. We have counsel here in the room, sir, but I waive counsel.

The CHAIRMAN. All right.

Mr. KENNEDY. That is your air travel card for 1955?

Mr. O'CONNELL. It is the only one I have ever had in the last 6 or 7 years. I had them before that, but this one was changed about 7 years ago.

Mr. KENNEDY. What is the number of that?

Mr. O'CONNELL. I am looking it up now, sir. UK 4437.

Mr. KENNEDY. Do you ever use that travel card to purchase tickets for other than yourself?

Mr. O'CONNELL. I have, yes.

Mr. KENNEDY. Did you ever use your travel card to purchase a ticket at the request of Mr. Clyde Crosby?

Mr. O'CONNELL. Yes, I did.

Mr. KENNEDY. Would you relate that to the committee?

Mr. O'CONNELL. Well, I got a call at home on a Sunday night, as I recall it.

Mr. KENNEDY. That was May 15?

Mr. O'CONNELL. Well——

Mr. KENNEDY. I think we have it correct.

The CHAIRMAN. Gentlemen.

Mr. O'CONNELL. Lay off them flashes, fellows. I will give you all you want after awhile.

They bother me, Mr. Chairman, when I try to answer. I have no objection to the others, but just the flashes.

The CHAIRMAN. I appreciate that, too, sometimes.

Mr. O'CONNELL. I was called at home on Sunday night and asked if I would meet him at 8 o'clock in the morning at the airport. I did. I was a few minutes late, about 10 minutes late, arriving there.

Mr. KENNEDY. Who was the call from?

Mr. O'CONNELL. From Crosby, from Clyde Crosby. I parked right in front of the air ticket office and went on in to buy the ticket. That is, to sign for the ticket. Mr. Crosby was already there. There was a number of people in the line. He had, I think, in my opinion, already had the ticket. I produced my credit card. I signed for the ticket.

Mr. KENNEDY. What did he say to you? What had he related to you on the phone that Sunday night, or what did he relate to you at the airport on Monday, about purchasing the ticket?

Mr. O'CONNELL. Well, there was no other conversation about it, as far as I can recall.

Mr. KENNEDY. Did he say he wanted you to purchase that ticket?

Mr. O'CONNELL. Yes. That was the original request.

Mr. KENNEDY. What did he say? Who did he say the ticket was for?

Mr. O'CONNELL. At that time, there was nothing said about it, Mr. Kennedy.

Mr. KENNEDY. Didn't he tell you that he had a truckdriver that he wanted to bring down?

Mr. O'CONNELL. No. That particular part I haven't been able to clear up in my own mind. Since that time, or since I was asked by the investigators, I went directly to Mr. Crosby to find out who the ticket was for. The ticket was bought for McLaughlin.

The CHAIRMAN. Joe McLaughlin?

Mr. O'CONNELL. Well, I guess that would be the one, Joe McLaughlin.

The CHAIRMAN. It was bought for a McLaughlin?

Mr. O'CONNELL. Mr. McLaughlin.

Mr. KENNEDY. So you purchased a ticket at that time?

Mr. O'CONNELL. Yes. You see, on my credit card, Mr. Kennedy, all I do is sign the credit slip for it. The United Airlines, evidently, had the reservations already made, and the tickets were all there, because I was double-parked outside, and I hurriedly left the airport and returned to my car.

Mr. KENNEDY. Did he tell you that McLaughlin was an employee of the teamsters?

Mr. O'CONNELL. No. I tried to figure out what was said that morning, and there wasn't too much said of anything. It is not uncommon for my credit card to be used for someone else. In fact, it had been changed 7 years prior to that so that I could take one other individual with me, or buy a ticket for one other individual.

Mr. KENNEDY. Would you buy tickets for people who had nothing to do with the teamsters?

Mr. O'CONNELL. I had never before, no.

Mr. KENNEDY. Did he tell you that this man was an employee of the teamsters?

Mr. O'CONNELL. Well, Mr. Kennedy, I can't honestly say that. I don't think we had too much discussion. I think at the particular time the main reason was the fact that Mr. Crosby had requested it, and he being a part of our joint council, I never questioned who the ticket was for.

Mr. KENNEDY. You said the conversation took place on Sunday evening, and the records show that you purchased the ticket on May 16.

Mr. O'CONNELL. He called me at my home on Sunday night and asked me to meet him at the airport at 8 o'clock Monday morning.

Mr. KENNEDY. The records show that the ticket was purchased on May 16, so he must have called you on May 15. That would be correct, if he called you the day before.

Mr. O'CONNELL. He called me the night before, yes.

Mr. KENNEDY. And the championship fight, Mr. Chairman, was on the night of May 16.

Mr. O'CONNELL. That could be.

The CHAIRMAN. May I present to the witness this photostatic copy of a document and ask him whether he identifies the signature on it.

(Document handed to witness.)

Mr. O'CONNELL. That is my signature, Mr. Chairman, yes.

The CHAIRMAN. What does that appear to be?

Mr. O'CONNELL. From Portland to San Francisco. I am not sure, Mr. Chairman, whether it is a return ticket or not. Whoever could read them better than I could—I imagine from the fares it would show.

The CHAIRMAN. It shows to be a return ticket. That is the ticket you have been testifying about, is it?

Mr. O'CONNELL. Yes.

The CHAIRMAN. Are there any further questions?

That may be made exhibit No. 37.

(The document referred to was marked "Exhibit No. 37" for reference and will be found in the appendix on p. 743.)

Mr. KENNEDY. Mr. Crosby already had his own ticket, is that right?

Mr. O'CONNELL. From the regular transaction that you would normally be going through at that time at a ticket office, I was of the opinion that he already had his ticket, because he was standing there at the window transacting business when I got there.

Mr. KENNEDY. So he and this other individual who has been identified to you in the last few days as Joseph McLaughlin went on this flight down to San Francisco?

Mr. O'CONNELL. Of course, I never saw him, Mr. Kennedy, but since that time, in questioning Mr. Crosby, he had told me that Mr. McLaughlin did use the passage that day to San Francisco.

The CHAIRMAN. You would not know about what the Chair holds in his hand, coupons from those tickets. You could not testify to these coupons showing the ticket was made out to Mr. McLaughlin?

Mr. O'CONNELL. I never saw those, Senator.

The CHAIRMAN. You say you could not testify to that.

Mr. O'CONNELL. No; I couldn't testify. The only thing I saw that day was the thing my signature is on.

MR. KENNEDY. When we interviewed Mr. Crosby, Mr. Chairman, we had a tape recorder which was in the room, which was known by Mr. Crosby, and we asked him these questions based on the information that Mr. Elkins had given us, that they had taken this trip down, and he denied it, and he also denied that they stayed in a hotel together in San Francisco. We also checked that and we have another witness on that matter.

The CHAIRMAN. Are there any questions of Mr. O'Connell?

Senator McCARTHY. Yes, Mr. Chairman.

Mr. O'Connell, I assume you agree that the vast majority of the teamsters are good and honest laboring men?

Mr. O'CONNELL. Well, I thought we all were, Senator.

Senator McCARTHY. You have learned that some of the hoodlum elements have attempted to infiltrate in key spots now.

Mr. O'CONNELL. I have been reading things over the past years, of course, and listening here the past week, yes. I haven't formed any particular opinion because I haven't heard the—

Senator McCARTHY. Do we agree on this, that you and the other honest members of the teamsters union, and I think that constitutes a vast majority, that they, perhaps, are just as happy as anyone else to see this investigation digging out the hoodlum element?

Mr. O'CONNELL. That is a rather difficult question, I think, Senator, to answer. I don't want to take a position one way or the other. I just want to tell the truth, what I knew about this thing. If there is something wrong, it should be corrected.

Senator McCARTHY. There is no evidence, I understand, that you have been guilty of any misconduct of any kind.

Let me ask you this question: Do you feel that the committee is performing a valuable service in digging out any hoodlum elements that may have infiltrated any union?

Mr. O'CONNELL. I think if there is anything wrong with organized labor, it should be cleaned up, Senator; yes, I certainly do.

Senator McCARTHY. And as an apparently honest laboring man, you do not feel that there is anything antilabor about digging out the hoodlum elements?

Mr. O'CONNELL. No. I don't think that should enter into it.

Senator McCARTHY. Could I ask you this: Would you welcome an investigation such as this?

Mr. O'CONNELL. Well, I think, Senator, I am not sure. I understood that both our health and welfare office in Portland, Oreg., which covers the entire State of Oregon, and our joint council, had asked for such an investigation. I am not one of them paid officials of the executive board, so I don't know for sure. But I understood it happened just a day or so before we left Oregon.

Senator McCARTHY. I just want to get one thing straight. As I say, there is no evidence, as far as I know, of any wrongdoing whatsoever on your part. You have been active in a labor union for some time. I assume you are representative of millions of other laboring people.

Mr. O'CONNELL. That is right, sir.

Senator McCARTHY. Do you feel that you or the average honest laboring man has any objection to digging out any of the hoodlumism or graft in labor unions?

Mr. O'CONNELL. Well, Mr. Chairman, I can only speak for myself. I don't have time to do my regular work and get involved in any of them things. If there is anything wrong, there is nothing wrong with cleaning it up, with cleaning house.

Senator McCARTHY. Thank you.

The CHAIRMAN. Thank you very much.

Are there any other questions?

Senator McNAMARA. Mr. Chairman.

The CHAIRMAN. Senator McNamara.

Senator McNAMARA. Did you say you were employed by the joint council?

Mr. O'CONNELL. The joint council; yes, sir.

Senator McNAMARA. Have you been since 1940 always employed by the joint council?

Mr. O'CONNELL. Yes, sir.

Senator McNAMARA. Have you been since 1940 always employed by the joint council?

Mr. O'CONNELL. Yes, sir.

Senator McNAMARA. Are you a member of a local union?

Mr. O'CONNELL. I am a member of a local union in Portland, local 162, General Drivers.

Senator McNAMARA. General Drivers?

Mr. O'CONNELL. Yes, sir.

Senator McNAMARA. Is this local union under trusteeship?

Mr. O'CONNELL. No, sir, it is not.

Senator McNAMARA. And they elect their own officers, and they are not appointed?

Mr. O'CONNELL. Yes, sir, they are all elected.

Senator McNAMARA. Thank you.

Senator MUNDT. Mr. Chairman?

The CHAIRMAN. Senator Mundt.

Senator MUNDT. Mr. O'Connell, do you know Mr. Tom Maloney, whom you have heard discussed?

Mr. O'CONNELL. Yes; I know who he is, sir; yes, sir.

Senator MUNDT. Do you know him as a teamster official or member?

Mr. O'CONNELL. I have never known him as a teamster official, sir; no.

Senator MUNDT. Have you seen him around the teamster headquarters?

Mr. O'CONNELL. I have seen him in our building; yes.

Senator MUNDT. Frequently?

Mr. O'CONNELL. Well, not since the elections, when that was, a year ago.

Senator MUNDT. Did you see him often at that time?

Mr. O'CONNELL. My work, you see, takes me away from Portland every week. I am generally out of Portland 2 or 3 days a week.

Senator MUNDT. Do you know Frank Malloy?

Mr. O'CONNELL. Yes, sir, I do.

Senator MUNDT. Do you know him to be business agent of a local union there?

Mr. O'CONNELL. Yes, sir, I do.

The CHAIRMAN. Are there any further questions?

All right. Thank you, sir.

(Members present at this point: The Chairman, Senators Ervin, McNamara, McCarthy, and Mundt.)

Mr. KENNEDY. Mr. Calabrese.

TESTIMONY OF ALPHONSE F. CALABRESE—Resumed

The CHAIRMAN. Mr. Calabrese, you were previously sworn?

Mr. CALABRESE. Yes, I was.

The CHAIRMAN. You have identified yourself on the record as to your work with this committee, as one of the staff members?

Mr. CALABRESE. Yes, I have.

Mr. KENNEDY. Mr. Calabrese, you made an investigation at the hotels in San Francisco to determine if Mr. Clyde Crosby or Joe McLaughlin had come to San Francisco and stayed overnight at any of those hotels?

Mr. CALABRESE. I did.

Mr. KENNEDY. That was for the night of the fight, May 16; is that right?

Mr. CALABRESE. It was the day of the fight, that is correct.

Mr. KENNEDY. That is based on the contrary information that had been given to us by Mr. Jim Elkins on one hand and Mr. Clyde Crosby on the other?

Mr. CALABRESE. That is correct.

Mr. KENNEDY. Would you tell the committee what you found as far as after you checked the hotels in San Francisco, as to whether Mr. Clyde Crosby and Mr. Joe McLaughlin were in San Francisco the night of May 16?

Mr. CALABRESE. Mr. Adlerman and myself made a contact and served a subpoena on the Olympic Hotel in San Francisco for their records concerning Joseph McLaughlin and Clyde Crosby. Of the registration cards and bills that they made available is as following: I have, one, a photostatic copy showing a date stamp on the reverse side of May 16, 11:42 a. m., 1955, Olympic Hotel, San Francisco, Calif. The registration side of it is signed J. P. McLaughlin, Portland Towers, Portland, Oreg. He was assigned room No. 606, and the number in the party was one, and the arrival date is shown as May 16, 1955.

Another registration card showing the identical signing in time, that is to say, May 16, 11:42 a. m., 1955, Olympic Hotel, San Francisco, Calif., is for Clyde Crosby, 1020 Northeast Third, Portland, Oreg. He was assigned room No. 608, and his arrival date was shown as May 16, 1955.

We also have photostatic copies of the bills which indicate that they stayed that one day at the hotel.

I might add that the information we had indicated that a group of the teamsters went to the fight that night. From the records of the Clift Hotel in San Francisco, we also ascertained that Frank Brewster, of Seattle, Wash., was at that hotel from May 14 through May 17; further, that John J. Sweeney, of Seattle, Wash., was at that hotel from May 14 through May 17, 1955; further, in connection with the flights taken by Mr. Crosby and Mr. McLaughlin, the records of United Air Lines, and I have here a photostatic copy of the flight tickets used, indicate that Mr. Crosby received a round-trip ticket, No. 02280, that he flew down to San Francisco on flight 676 on May

16, 8 a. m., and that J. McLaughlin took the same flight, flight No. 676 on May 16.

The return portion of the round-trip ticket, according to the United Airlines, was used on flight 673, on May 17, 1955, that is the day after the fight, from San Francisco to Portland.

The CHAIRMAN. Those documents may be made exhibits No. 38-A, 38-B, 38-C, and 38-D.

(The documents referred to were marked "Exhibits 38-A, 38-B, 38-C, and 38-D" for reference and will be found in the appendix on pp. 744-752.)

Senator MUNDT. The records clearly show they both went down together. Do they also show that they came back together?

Mr. CALABRESE. Well, Senator, from the photostatic copy of the second portion of this round-trip ticket, it convincingly indicates that they came back on the same flight.

Senator MUNDT. Thank you.

Senator McNAMARA. The witness made some reference to an invoice.

Does the invoice indicate that the charges at the hotel were paid by the teamsters, officials of the teamsters union, or by whom?

Mr. CALABRESE. I believe the invoices indicate that a nominal sum was paid, apparently by cash or check. Apparently by cash. They couldn't tell.

Senator McNAMARA. You do not know who paid the bill?

Mr. CALABRESE. No; we don't know.

The CHAIRMAN. Are there any further questions?

If not, thank you very much.

Call your next witness.

(Members present at this point: The Chairman, Senators Ervin, McNamara, McCarthy, and Mundt.)

TESTIMONY OF JAMES B. ELKINS—Resumed

Mr. KENNEDY. Mr. Elkins, you also mentioned in your testimony the fact that you asked Mr. Crosby, at this meeting that you had in the car with him, to pay for the work that you had done for him in his recreational room or that your employees had done for him?

Mr. ELKINS. That is correct.

Mr. KENNEDY. Had some of your employees done some work for him?

Mr. ELKINS. James Jenkins and Bernie Caine.

Mr. KENNEDY. These are two employees of yours?

Mr. ELKINS. Two employees of mine at that time. They no longer are.

Mr. KENNEDY. What period of time is this that we are discussing?

Mr. ELKINS. Well, I believe they started in January. I believe I was asked by Crosby for two slot machines for his party room in January.

Mr. KENNEDY. He wanted two slot machines from you?

Mr. ELKINS. That is correct.

Mr. KENNEDY. Were you getting along with Mr. Crosby during this period of time?

Mr. ELKINS. Yes.

Mr. KENNEDY. You were close to him?

Mr. ELKINS. Yes, that is right.

MR. KENNEDY. There were statements made that you and he were bitter enemies, and the fact that you were backing McCourt in the district attorney's race in the end of 1954 was why the teamsters backed Mr. Langley in 1954. Were you still seeing a lot of Mr. Crosby?

MR. ELKINS. That is right. He would chide me because I didn't call him, or because we didn't go to lunch more often. We had gone to Model's to a floor show, along with Mr. Sweeney.

MR. KENNEDY. So you were seeing a lot of him?

MR. ELKINS. Quite a lot; yes.

MR. KENNEDY. You also, you say, had some of your employees do some work in his house?

MR. ELKINS. That is right. They delivered the slot machines, and then he wanted a partition put in, and said he would pay for the material if I would let my men do it in spare time. They were rather slow workers, but they eventually got the work finished.

SENATOR McCARTHY. Mr. Kennedy, you raise a question there which I think is left somewhat hanging in the air.

MR. ELKINS, do I understand that you and Crosby backed McCourt and the rest of the teamsters backed Langley?

MR. ELKINS. No, sir.

SENATOR McCARTHY. Did you all back Langley?

MR. ELKINS. That is correct.

SENATOR McCARTHY. Incidentally, is Langley under indictment now?

MR. ELKINS. Yes, sir.

MR. KENNEDY. Go ahead. Your employees did this work for him; did they not?

MR. ELKINS. That is correct.

MR. KENNEDY. Did you purchase the material for him?

MR. ELKINS. My employees purchased it; yes.

MR. KENNEDY. Did he ever pay you back for the work that your employees did?

MR. ELKINS. He did not.

MR. KENNEDY. How much did it amount to for the material that you put into the house and the work that your employees did?

MR. ELKINS. Between \$200 and \$300.

MR. KENNEDY. In this meeting that you had with him in the car, Did you ask him about that?

MR. ELKINS. I did.

MR. KENNEDY. Were you ever paid for it?

MR. ELKINS. No; I was not.

MR. KENNEDY. This went on through 1955?

MR. ELKINS. That is right.

MR. KENNEDY. During this period of time, was there also discussion with Maloney and McLaughlin regarding various after-hour places and joints that you were supposed to be operating?

MR. ELKINS. That is correct.

MR. KENNEDY. And was there a discussion about football sheets, getting football sheets into various places around town?

MR. ELKINS. That is right.

Mr. KENNEDY. Did they have a plan on how that was going to work out, Maloney and McCourt?

Mr. ELKINS. Well, we first discussed it prior to the 1st of May. Then we had the falling out. Then after we drew up this contract, along about the first part of July, we started operating again.

Mr. KENNEDY. Were you sending these football sheets around to the various places?

Mr. ELKINS. We weren't sending those around. There was Morrie Altschuler—

Mr. KENNEDY. Morrie Altschuler?

Mr. ELKINS. That is correct. And Bob Archer had a football service, where they had an understanding with Maloney or McLaughlin, I don't know which. Maloney and another fellow by the name of Leo Plotkin had contacted some smokeshops and asked them to take out the sheets.

Mr. KENNEDY. The football sheets that they already had in?

Mr. ELKINS. Yes, that they had put in, and they wanted Archer's and Altschuler's.

Mr. KENNEDY. They wanted their own sheets?

Mr. ELKINS. That is right.

Mr. KENNEDY. What did they say to these smokehouses, that could be done to the smokehouses, if the proprietors wouldn't take the sheets?

Mr. ELKINS. Well, they were really cigar stores. I believe Mr. Plotkin told them that that was Mr. Maloney, and that he was with the teamsters. Of course, they didn't want to have trouble with the teamsters, so they had better put in Archer's, which was on the Rialto.

Mr. KENNEDY. Rialto was a place that they operated?

Mr. ELKINS. That is correct.

Mr. KENNEDY. And if they did not want to have trouble with the teamsters as far as deliveries, they better take this particular kind of football sheets?

Mr. ELKINS. That is right.

Mr. KENNEDY. Did you get some complaints or did you receive that information from some of these smokehouses?

Mr. ELKINS. Yes. They felt that they were being pushed around. They didn't like to be told how to run their business. So I mentioned to Mr. Archer that he was going to have trouble with his people. They was going to talk and then there wouldn't be any football sheets, if he continued.

Mr. KENNEDY. Were they finding fault with you, Maloney, and McLaughlin, for not getting enough places open?

Mr. ELKINS. They were always squabbling on that.

Mr. KENNEDY. They felt that there were not enough joints operating?

Mr. ELKINS. That is correct. I had to tell them we would get in jail if we opened any more places.

Mr. KENNEDY. When you say a joint, what do you mean by a joint? Is that an after hours place?

Mr. ELKINS. After hours, gambling and bootlegging.

Mr. KENNEDY. They felt that there were not enough operating?

Mr. ELKINS. That is correct, sir.

Mr. KENNEDY. Were they also discussing at that time that they should have—was it to reopen this question of prostitution at that time?

Mr. ELKINS. That was Maloney. He asked me to contact different madams and offer them a proposition where they could have 25 percent and we would get the balance of it. But that is as far as it went.

Mr. KENNEDY. Did you ever contact any of these madams?

Mr. ELKINS. No, I did not.

Mr. KENNEDY. Did you ever hear at that time that they had contacted a madam themselves?

Mr. ELKINS. Yes, I heard that.

Mr. KENNEDY. Or that Maloney had?

Mr. ELKINS. That is correct.

Mr. KENNEDY. And that the contact had been made through Nate Zusman?

Mr. ELKINS. I believe that is correct.

Mr. KENNEDY. He operated the Desert Room?

Mr. ELKINS. Yes.

Mr. KENNEDY. Was that madam's name Mrs. Helen Hardy?

Mr. ELKINS. That is one of them, yes.

Mr. KENNEDY. There were two of them, Helen Hardy and Helen Smalley?

Mr. ELKINS. That is correct.

Mr. KENNEDY. One was called Big Helen and the other Small Helen?

Mr. ELKINS. That is correct.

Mr. KENNEDY. Did you understand that they did get a place operating?

Mr. ELKINS. I think they attempted to. Maybe they started and maybe they didn't. I was never in the place.

Mr. KENNEDY. You understood they did get a place operating on Pettigrove Street?

Mr. ELKINS. That is right. The two of them, Big Helen and Little Helen, rented the place and set up shop, and then the police raided it, I believe.

(At this point, Senator McCarthy withdrew from the hearing room.)

Mr. KENNEDY. The police raided it and closed it?

Mr. ELKINS. That is correct.

Mr. KENNEDY. We have an affidavit from Helen Hardy, presenting the circumstances surrounding what I have described.

Would you step aside a moment?

The CHAIRMAN. Call your next witness.

(Members present at this point: The Chairman, Senators Ervin, McNamara, and Mundt.)

The CHAIRMAN. The Chair forgot to announce that there will be no pictures made of this witness while she is in the room.

The pictures that have been made will not be used.

Will you be sworn, please?

You do solemnly swear that the evidence you shall give before this Senate select committee shall be the truth, the whole truth, and nothing but the truth, so help you God?

Miss HARDY. Yes.

**TESTIMONY OF HELEN E. HARDY, ACCOMPANIED BY COUNSEL,
ROBERT M. SCOTT**

The CHAIRMAN. The Chair will announce that this witness has requested that no pictures be made.

Is there any objection on the part of any member of the committee? The Chair hears none. The order will stand.

Will you state your name, your place of residence, and your present occupation?

(The witness conferred with her counsel.)

Senator MUNDT. Mr. Chairman, perhaps we should identify the attorney.

Miss HARDY. My name is Helen E. Hardy, and I live in Miles City, Mont.

The CHAIRMAN. Do you want to state your present occupation?

Miss HARDY. No, sir.

The CHAIRMAN. You do not want to state it. All right. Do you have an attorney present?

Miss HARDY. Yes, sir.

The CHAIRMAN. Counsel, will you identify yourself for the record?

Mr. SCOTT. My name is Robert M. Scott. I am an attorney here in Washington, D. C.

The CHAIRMAN. All right, Mr. Counsel, you may proceed.

Mr. KENNEDY. Mr. Chairman, as I explained, there is an affidavit which we can read into the record, or Miss Hardy can read it in.

The CHAIRMAN. Do you have a copy of the affidavit?

Miss HARDY. Yes.

The CHAIRMAN. Mr. Counsel, will you read the affidavit? The witness will follow on the reading of it.

Then, you will be interrogated about it.

Mr. KENNEDY (reading):

I, Helen E. Hardy, being duly sworn upon oath, depose and say that the following is the truth to the best of my knowledge and belief:

I live in Miles City, Mont., at the present time. I have lived there since May 1956.

Prior to moving to Montana, I lived in Portland, Oreg., where I maintained an apartment for my own personal use. I lived in Portland from approximately 1926 until I moved to Montana. During that period of time I lived in another town in Oregon for approximately 4 years, although I still maintained my residence in Portland.

In approximately November 1953, following a drive by the attorney general of the State of Oregon, I moved back to my apartment in Portland, Oreg.

The CHAIRMAN. Read the whole affidavit and ask her if it is true.

In about 1946 I met Helen Smalley. We became good friends and also partners in business. My first business venture with her was in 1949. In 1954, although Helen Smalley and I continued to own certain real estate, we did not engage in any business. This was because of the attitude of the attorney general.

I have known Mr. Nate Zusman since 1951. Helen Smalley also has known Mr. Zusman, and I am sure she has known him for a longer period of time than I. Mr. Zusman owns and operates a night club called the Desert Room. This is located in Portland.

It is frequented by prostitutes and others engaged in or connected with prostitution. Because of the persons who frequent the Desert Room, information concerning prostitution is generally heard there. Mr. Zusman was known to have the most current information regarding prostitution.

Miss Helen Smalley and I, during the period 1954 to June 1955, frequently had dinner at the Desert Room. This would probably average 2 or 3 times a month. We would talk with Mr. Zusman about anything that might be of interest concerning prostitution.

The CHAIRMAN. The Chair announces that counsel, while reading this affidavit, may ask the witness any questions to clear up anything, but I wanted the whole affidavit read for the record and for her interrogation of these facts.

Mr. KENNEDY (reading):

Some time in May or June of 1955, Mr. Zusman talked with Helen Smalley and me about the possibility of opening a "call house."

(A call house is distinguished from a regular house of ill fame, which is sometimes known as a walk-in, by the fact that the clientele is a select one. By that I mean, unless a person is referred or is known, he cannot gain access to the house. It may be fairly termed an "exclusive clientele" operation. A house of ill fame or walk-in will accept anyone who comes to the premises. Another feature of the call house is that the girls rarely engage in their profession on the premises, although they may do so upon occasion.)

Mr. Zusman was aware that Helen Smalley and I were partners and had, in the past, operated houses of ill fame but that we were no longer engaged in business because of the actions of the attorney general of the State of Oregon. Mr. Zusman said that he had very reliable information that Mr. William M. Langley, the district attorney for the Portland area (Multnomah County), was not going to permit houses of ill fame to operate, but that he would have no objection to call houses and call girls operating.

There were, at this time, a number of call girls operating on an individual basis. Mr. Zusman said that he had received information that a call house operation would be all right with Mr. Langley. Mr. Zusman said that he understood that Mr. Langley would not molest a call house operation. He asked Helen Smalley and me if we would be interested in opening up a call house.

Helen Smalley and I talked about this matter for some time. We discussed the possibility of doing this with our respective husbands. My husband was against the opening of a call house. He thought that the attitude of the attorney general would make such an operation financially unsuccessful.

Nevertheless, Helen Smalley and I decided, by being careful, and relying upon the assurances of Mr. Zusman that call houses would not be molested, to open up such a house.

Sometime between our first talk with Mr. Zusman and July 5, 1955, Helen Smalley and I met Mr. Thomas Maloney. We met him at the Desert Room. At that time, he was in the company of Mr. Leo Plotkin. I was not aware that Mr. Maloney was the man from whom Mr. Zusman had received his information concerning Mr. Langley's attitude on call houses.

Our meeting at this time was a casual one and the possibility of opening a call house was not discussed with Mr. Maloney at this meeting. We had only a general conversation as a result of Mr. Maloney sending a drink to our table, which was located adjacent to his.

I do not know if Mr. Maloney knew that Helen Smalley and I had been partners in business. I had known Leo Plotkin only slightly by reason of having seen him in and about the Desert Room. I am sure that Mr. Plotkin knew that Helen Smalley and I had been in business together and knew the nature of that business. The reason I would assume that Mr. Plotkin knew is that he was a friend of Mr. Zusman and Mr. Zusman was well aware of this.

I feel confident that I did not know at this time that Mr. Maloney had any connection with the teamsters union. I did not know at this first meeting that Mr. Maloney was closely connected with Mr. Langley.

After Helen Smalley and I had discussed the possibility of opening a call house we talked further with Mr. Zusman about this. Mr. Zusman was anxious for us to get in on the ground floor and even offered to put up money to help us finance such an operation if we needed it.

There was no amount of money mentioned by either Mr. Zusman or Helen Smalley or me. It was during conversations with Mr. Zusman which were subsequent to the time we had met Mr. Maloney, that Mr. Zusman told us that Mr. Maloney was the man who had given him the information concerning Mr. Langley's attitude regarding call houses.

Mr. Zusman explained that Mr. Maloney had been Mr. Langley's campaign manager when Mr. Langley was seeking election as district attorney.

Mr. Zusman further said that Mr. Maloney knew Mr. Langley so well that he referred to him as "The Kid." Mr. Zusman reassured us that if we opened a call house we would not be molested by the district attorney and that we would be in a good position to make some money.

Because we were convinced that Zusman's information was right and because Zusman himself had even offered to put up money if we needed it, Helen Smalley and I decided to open a call house. Helen Smalley and I saw an ad in the paper concerning the rental of a house at 2441 Northwest Pettigrove Street. This house was one of many we considered, but it seemed to have the best possibilities for a call-house operation. It was a very lovely and large house.

We leased this house, paying \$175 a month rental. We had to pay \$350 at the time the lease was signed. I signed the lease, having assured the lady from whom it was rented that I wanted to live in it personally.

Although the rent was to be effective July 1, 1955, she permitted us to go in earlier in order to furnish the house. Helen Smalley and I purchased rugs, drapes, chairs, and other articles of furniture and furnishings in order to complete the furnishing of the house. We charged furniture and furnishings somewhere in the neighborhood of \$1,500.

During the time that we were decorating, Mr. Zusman and Mr. Maloney came to this house. Helen Smalley and I had told Mr. Zusman about this house and what we were doing with it. We were quite pleased with the house and the furnishings and Mr. Zusman came up to see it, bringing with him Mr. Maloney. While there, Mr. Maloney told us that Mr. Langley was not going to have any objection to this type of operation. He referred to Mr. Langley as "The Kid."

Probably the reason that Mr. Maloney mentioned Mr. Langley's attitude was because police cars were being parked in front of walk-in houses at this period in order to discourage potential customers. We were aware of this and probably mentioned that fact to Mr. Zusman and Mr. Maloney.

I am not certain that this is what motivated Mr. Maloney's remarks but it may be. Mr. Zusman and Mr. Maloney stayed probably 15 to 20 minutes. Both of them remarked about the appointments of the house.

We began operations in this house on July 5, 1955. We had two girls living in the house. On the first night of our operation, Mr. Zusman referred two men to us. One of these men paid \$400 and the other \$200. Out of this amount, we gave Mr. Zusman \$120.

This was our usual practice in giving \$2 out of every \$10 to the person who referred a client for the first time. We followed this practice with bellhops and hotel clerks and bartenders. During this period I may have paid Mr. Zusman other amounts of money for referral of customers, but I am confident that I have not paid him more than \$215 to \$230 as a result of his referring business during the period July to December 1955.

We had been in operation on Pettigrove Street for about 2 or 3 weeks when we noticed that police cars were parking in front of our house from 10:30 at night until 3 in the morning. When I noticed the police cars in front of the house I called Mr. Zusman and told him about it.

He said he would inquire about the matter. On the following night the police cars were again there, and I called Mr. Zusman at the Desert Room and was quite mad about it. I told him that I understood that this practice was not going to happen at call houses.

He put Mr. Maloney on the phone and I told Mr. Maloney that I understood that he had said that Mr. Langley would not disturb the call houses. He gave some noncommittal remark and I said, "Well, it was on your say-so to Mr. Zusman that we invested this money in the first place." He backtracked very quickly and said, "Well, Nate had no business saying such a thing," and so forth and so on, and I hung up. The following night there were no police cars in front of our house or in front of any house of ill fame.

I should here point out that our house was located in a very nice residential area. Although I had some suspicion that the neighbors might have an idea that there was more to our house than merely a residence, I did not know any complaints had been made until we had been in operation about 5 weeks. At that time, Chief Jim Purcell and two detectives came to our house in plain clothes and demanded entrance. He knocked on the door and announced that he was Chief Purcell and wanted in.

I would not open the door at that time, telling him that I had retired and had to get a robe on. I did this because I wanted to get the girls who were living with us out of sight. After they were out of sight, I admitted the chief of police and the two detectives.

He demanded to see Helen Smalley whom he had known for some time. She had gone out to dinner at this time, however, so he told me to find her and to get here over there right now. She drove up in the car while they were on the front porch and, not recognizing them, walked in while they were there.

Chief Purcell gave both of us a thorough roasting and, having found the girls, he gave them a rough time. His chief complaint seemed to be that we were operating in a neighborhood which was a nice residential area and that there had been lots of complaints about it.

He told us that if we didn't get out of there right now that he would arrest us on vagrancy charges when we left the premises. There was no question about arresting us that night as he did not have any "sale" on us. Helen Smalley and I assured him that we would leave the next day and he said he meant that night. We left that night and went to our own apartment.

We did not return to the Pettigrove Street house for about 3 days and our purpose of returning was to pack our personal belongings and move them to our apartment. While we were in the house doing this, Mr. Savage, a detective, came to the door and said he was checking because the lights were on. He was with another man. Helen Smalley insisted that he go through the house to see that we were not operating and he did.

I did not see or talk to Mr. Maloney following the chief of police closing us down except for one occasion which I shall mention later in this affidavit. I did see Mr. Zusman after we closed down. He was aware that we had been closed and asked us what we were going to do. I said we would find a new location which we did.

Our new location was on 1121 Northwest Gleason Street. This was the warehouse district of Portland. It was the second story of a building which had been converted into apartments. We moved our furniture from Pettigrove Street to this place. I think we opened the Gleason Street place in about October.

While we were at Gleason Street, Mr. Maloney came to that place and inquired if we would rent an apartment to Mr. Plotkin. We told him that we did not want any men around the place and that we would not rent an apartment to Mr. Plotkin.

I have never paid any money to Mr. Maloney at any time. I have never paid any money to Mr. Zusman at any time except as I have set forth herein. I have been asked if I ever paid \$2,500 to either Mr. Zusman or Mr. Maloney in order to operate a call house or for any other purpose.

I hereby state I have never paid any money to Mr. Maloney for any purposes. I have never paid any money to Mr. Zusman for any purpose other than the times I gave him money when he referred customers to us. At no time was I ever told that I would have to pay \$2,500 or any other sum of money to Mr. Maloney or to Mr. Zusman for the purpose of engaging in the operation of a call house in Portland.

I have never paid anyone any money for the purpose of operating a call house or any other kind of house of prostitution in Portland. To my knowledge, neither has Helen Smalley.

Following the closing of our place by Chief Purcell, Mr. Bard Purcell, the chief's brother, came into the Desert Room one night. Helen Smalley was quite disturbed that Chief Purcell had been so angry with us for opening the house on Pettigrove Street. She asked me to talk to Bard Purcell, whom I knew of but whom I had never met before, to tell him that we meant no offense to Chief Purcell and that we hoped that Chief Purcell was not mad. She wanted me to tell him the reason we had opened up the call house.

I arranged with Mr. Zusman to have the use of a private room at the Desert Room, and I asked Mr. Bard Purcell if he could talk with me about this. I explained to Mr. Bard Purcell that we had been told by Mr. Zusman and Mr. Maloney that Mr. Langley would have no objection to call houses.

I did not tell Mr. Bard Purcell that we had paid \$2,500 to Mr. Zusman or to Mr. Maloney in order to open up our place on Pettigrove Street. I did tell him that, if it was any consolation to him or the chief that he had lost approximately \$2,500 in the venture because it had cost us rent, furniture, and general operating expenses for that 5-week period.

I have never told anyone that we had to pay \$2,500 or any other amount to Mr. Maloney, Mr. Zusman, or to anyone else in order to open a call house or any other kind of house of prostitution in Portland.

I am sure that Helen Smalley has never paid Mr. Maloney or Mr. Zusman any money in order to operate a call house in Portland.

The reason that Helen Smalley and I opened our place on Pettigrove Street is that we were certain that the district attorney would not molest us or any other call house. This certainly was based upon Mr. Zusman's statements that he had reliable information to this effect, that Mr. Maloney had told us that Mr. Langley would not molest call houses, the fact that Mr. Maloney was close to Mr. Langley, and the willingness of Mr. Zusman to invest his own money in the place.

I am sure that Chief Purcell's complaints against our operation on Pettigrove Street were due solely to the fact that it was a residential area because we were never bothered in our operation of a call house on Gleason Street. I left in December 1955 and we were not bothered up until then.

The reason I left in December 1955 was because the business was not sufficiently good to warrant both Helen Smalley and me being in it. At no time have Helen Smalley and I had any falling out either during the time we were in business or since.

Helen Smalley closed the place voluntarily after the Oregonian's recordings were published in the newspaper of April or May 1956.

(Signed) HELEN E. HARDY.

The CHAIRMAN. Miss Hardy, you have heard the reading of the affidavit. You followed the reading of it, did you, with a copy?

Miss HARDY. Yes, sir.

The CHAIRMAN. Is there anything in that affidavit that is untrue?

Miss HARDY. No, sir.

(At this point, Senator Goldwater entered the hearing room.)

The CHAIRMAN. You have stated the facts in that affidavit just as you knew them to be?

Miss HARDY. Yes, sir.

Mr. KENNEDY. These are the reasons that you and Helen Smalley opened up this place on Pettigrove Street in the first place. First, your assurances from Mr. Zusman?

Miss HARDY. Yes, sir.

Mr. KENNEDY. And that the district attorney would not bother call houses?

Miss HARDY. Yes, sir.

Mr. KENNEDY. That was confirmed to you by Mr. Maloney himself, that the district attorney would not bother call houses?

Miss HARDY. Yes, sir.

Mr. KENNEDY. And you were then told that Mr. Maloney was the campaign manager for the district attorney, and that gave you further assurance, is that right?

Miss HARDY. Yes, sir.

Mr. KENNEDY. And then Mr. Zusman offered to put the money in the call house and open you up, is that right?

Miss HARDY. He offered to finance it, if we needed it.

Mr. KENNEDY. He offered to finance the house, if you needed it; is that right?

Miss HARDY. Yes, sir.

Mr. KENNEDY. On the \$2,500, you never paid to Mr. Maloney and Mr. Zusman \$2,500 on the assurances that you could keep this house open?

Miss HARDY. No, sir.

Mr. KENNEDY. You did not have to pay any money for those assurances?

Miss HARDY. No, sir.

Mr. KENNEDY. You did not have to give them any money of any kind?

Miss HARDY. No, sir.

Mr. KENNEDY. You did not have an argument or falling out with Mr. Zusman and Mr. Maloney the morning after your place was closed—

Miss HARDY. No, sir.

Mr. KENNEDY. Based on the fact that they had given you assurances that it would not be closed?

Miss HARDY. No, sir.

Mr. KENNEDY. They did not tell you at that time that this was being closed by the chief of police, not the district attorney?

Miss HARDY. Repeat that, please.

Mr. KENNEDY. They never said as an excuse that this place had been closed by the chief of police rather than the district attorney?

Miss HARDY. No, sir.

Mr. KENNEDY. So that the assurances that you received on opening your place were from Mr. Zusman and Mr. Maloney, that Mr. Langley would allow this to continue, and you never paid any money?

Miss HARDY. That is right, sir.

The CHAIRMAN. Did the district attorney ever bother you in any way?

Miss HARDY. No, sir.

The CHAIRMAN. So insofar as the assurance you had when you opened up with respect to him, that assurance was justified. I mean, you relied upon it and that assurance was kept?

Miss HARDY. The operation was so quiet, I don't know that Mr. Langley knew that the place was there.

The CHAIRMAN. I did not understand you.

Miss HARDY. I say the operation was so quiet, I don't know that Mr. Langley knew the place was there.

The CHAIRMAN. You do not know that he knew it was there?

Miss HARDY. No, sir.

The CHAIRMAN. You operated it quietly?

Miss HARDY. Yes, sir.

The CHAIRMAN. But the chief of police did find out of your operations?

Miss HARDY. Yes, sir.

The CHAIRMAN. And he closed it because he said he had complaints from the neighbors?

Miss HARDY. From the neighbors, sir, yes, sir.

The CHAIRMAN. Obviously, you were not conducting that so quietly. Would that be true, or would it just be the neighborhood where there would be people living who observed it?

Miss HARDY. It was the neighborhood, sir.

The CHAIRMAN. It was the neighborhood.

The new location, the one you opened up the next time, was that in a residential neighborhood or in a downtown area?

Miss HARDY. It was in a warehouse district, sir.

The CHAIRMAN. I beg your pardon?

Miss HARDY. In a warehouse district, sir.

The CHAIRMAN. In a warehouse district?

Miss HARDY. Yes, sir.

The CHAIRMAN. Are there any further questions?

Are there any further questions?

If not, thank you very much. You may stand aside.

Call your next witness.

(Members present at this point: The Chairman, Senators Ervin, McNamara, Mundt, and Goldwater.)

Mr. KENNEDY. Mr. Nate Zusman.

The CHAIRMAN. Mr. Zusman, will you be sworn?

You do solemnly swear that the evidence you shall give before this Senate select committee shall be the truth, the whole truth, and nothing but the truth, so help you God?

Mr. ZUSMAN. I do.

TESTIMONY OF NATHAN ZUSMAN, ACCOMPANIED BY COUNSEL, JOHN BONNER

The CHAIRMAN. State your name, your place of residence, and your business or occupation.

Mr. ZUSMAN. Nathan Zusman, 01905 Southwest Palatine Hill Road. That is my residence.

The CHAIRMAN. Portland?

Mr. ZUSMAN. Portland, Oreg. My business residence is 1217 Southwest Stark Street, Portland, Oreg.

The CHAIRMAN. What is your business?

Mr. ZUSMAN. I run a night club and restaurant.

The CHAIRMAN. You have counsel with you, have you?

Mr. ZUSMAN. Yes, sir.

The CHAIRMAN. Counsel, will you identify yourself for the record, please?

Mr. BONNER. John Bonner, attorney, Washington, D. C.

The CHAIRMAN. Mr. Kennedy, you may proceed.

Mr. KENNEDY. I am sending for some papers at this moment.

The CHAIRMAN. We will be at ease for a moment.

Mr. KENNEDY. I can start off.

Do you know Mr. Tom Maloney?

Mr. ZUSMAN. Yes, I do.

Mr. KENNEDY. Did you receive some moneys from Helen Hardy for the people that you sent to her call house?

Mr. ZUSMAN. I have never received anything from anybody.

Mr. KENNEDY. So her testimony that you sent people up to her call house is false; is that right?

Mr. ZUSMAN. Mr. Kennedy, I would like to have—I am married 16 years, and I run a very clean place there. I demand a lie detector test with her before she leaves Portland, before she leaves Washington, D. C. I want to have a lie detector test. Either I am guilty or I am not guilty.

Mr. KENNEDY. I have some people I want to ask you about.

Mr. ZUSMAN. Before I answer any questions, I would like to have a lie detector test with her.

Mr. KENNEDY. You can answer some questions here, can you not?

The CHAIRMAN. Let us proceed with the inquiry. The committee will determine about the lie detector test a little later.

I believe witnesses are usually required to tell their story first under oath before any lie detector test is considered.

Mr. KENNEDY. I thought that in view of Miss Hardy's testimony about you, that you would want an opportunity to appear and refute it.

Mr. ZUSMAN. Yes, I do.

Mr. KENNEDY. You are being given that opportunity.

Mr. ZUSMAN. Yes. I have closed my business in order to be here.

Mr. KENNEDY. Excuse me?

Mr. ZUSMAN. I have closed my business in order to be here.

Mr. KENNEDY. You do not have any prostitutes operating out of your place?

Mr. ZUSMAN. No, I do not. I have the vice squad in there every night.

Mr. KENNEDY. What time is the hour for your closing?

Mr. ZUSMAN. I open at 3 and close at 2:30.

Mr. KENNEDY. Do you ever operate after 2:30?

Mr. ZUSMAN. No, I do not. I have been accused of everything, and I have vice men in there every day, and I wouldn't even think of that.

Mr. KENNEDY. Why do all the vice men go to your place?

Mr. ZUSMAN. They have no place else to go, I guess, so they come around to us.

Mr. KENNEDY. Is there something about your place that they like?

Mr. ZUSMAN. We have a nice show.

Mr. KENNEDY. Do any other policemen other than the vice men come?

Mr. ZUSMAN. We have detectives coming in and out. We have the men on the beat coming in and out. We have an open door.

Mr. KENNEDY. But mostly the vice squad?

Mr. ZUSMAN. The vice squad comes in quite often. They call roll there sometimes.

Mr. KENNEDY. Do they come individually?

Mr. ZUSMAN. They come in pairs usually.

Mr. KENNEDY. They like your place?

Mr. ZUSMAN. We have a nice place. I have had that place for 6 years, and that is all I have heard, about having heavy men and other people in there, and so far they haven't made an arrest in the place, they haven't found anything wrong in the place, and that is why they camp on the door, I guess, trying to find something wrong. I am getting tired of that. My place is just as clean as your home or any place in here.

Mr. KENNEDY. Do people make remarks about your place?

Mr. ZUSMAN. I hear them all the time.

Mr. KENNEDY. There are a lot of rumors about it?

Mr. ZUSMAN. Rumors don't mean anything to me.

Mr. KENNEDY. Were there rumors about handling stolen jewelry in there?

Mr. ZUSMAN. Handling stolen jewelry in there?

Mr. KENNEDY. Did they have rumors about that?

Mr. ZUSMAN. They are liable to tell you anything.

Mr. KENNEDY. What kind of rumors?

Mr. ZUSMAN. Anything you mention they can say it.

Mr. KENNEDY. Do they have rumors that you handle stolen—

Mr. ZUSMAN. I don't handle stolen property.

Mr. KENNEDY. I am asking you about the rumors, that is all.

Mr. ZUSMAN. They will tell you anything.

Mr. KENNEDY. What do they tell you about the place?

Mr. ZUSMAN. They tell other people and they come and tell me.

Mr. KENNEDY. What are some of the rumors? Tell us some of the rumors.

Mr. ZUSMAN. Rumors are that I was open after hours.

Mr. KENNEDY. Have you ever been open after hours?

Mr. ZUSMAN. No; I never have been.

Mr. KENNEDY. Let's take the last 6 months. Will you swear under oath that you have never been open after 2:30 in the last 6 months?

Mr. ZUSMAN. I will swear under oath I have not sold a drink after 2:30.

Mr. KENNEDY. What is the law; that you cannot sell a drink or stay open?

Mr. ZUSMAN. I can stay open all night, but I cannot sell a drink.

Mr. KENNEDY. What are the other rumors? I am giving you a chance, Mr. Zusman. Helen Hardy made these statements about you.

Mr. ZUSMAN. At least you give a better chance than the two investigators you sent to my place. They are a disgrace to this Senate committee.

Mr. KENNEDY. We are proud of them; very proud.

Mr. ZUSMAN. I am glad you are proud of them. They come in the same way—

The CHAIRMAN. Just one moment. What was your remark?

Mr. ZUSMAN. I said they were a disgrace to the Senate committee.

The CHAIRMAN. Who?

Mr. ZUSMAN. The two men that come out to investigate me.

The CHAIRMAN. Who are they?

Mr. ZUSMAN. Mr. Calabrese and Mr. Adlerman.

The CHAIRMAN. These two gentlemen here?

Mr. ZUSMAN. Those two gentlemen there.

The CHAIRMAN. You claim they are a disgrace to the United States Senate?

Mr. ZUSMAN. I think they are; the way they ask me questions.

The CHAIRMAN. Maybe the counsel is, too, and maybe I am going to—

Mr. ZUSMAN. I wouldn't say that, sir, because you wouldn't ask these kinds of questions.

The CHAIRMAN. Yes; I will.

Mr. KENNEDY. What kinds of questions did they ask? What questions did they ask?

Mr. ZUSMAN. Do you want a sample?

Mr. KENNEDY. What about the rumors, first? Let us finish that first.

Mr. ZUSMAN. They start out with, I sell whisky after hours.

Mr. KENNEDY. That rumor you say is not true.

Mr. ZUSMAN. I told the vice squad any time that they think that I am selling whisky after hours they can knock on my door, and if I don't let them in, break the door down.

Mr. KENNEDY. You told the vice squad?

Mr. ZUSMAN. I told the vice squad. They had that on report.

Mr. KENNEDY. Did they come to you and say——

Mr. ZUSMAN. They showed me a report that somebody turned in to them.

Mr. KENNEDY. Were they sitting there drinking when they were talking to you?

Mr. ZUSMAN. No; at that time they were in a private room.

Mr. KENNEDY. They come to drink there; don't they?

Mr. ZUSMAN. They don't come to drink.

Mr. KENNEDY. Why do they come?

Mr. ZUSMAN. To look around, and to see who is there.

Mr. KENNEDY. They continuously come? They like it?

Mr. ZUSMAN. I guess they like me and the place; I don't know.

Mr. KENNEDY. Why did they charge you with this?

Mr. ZUSMAN. They didn't charge me. Other people were saying it.

Mr. KENNEDY. What else did they say?

Mr. ZUSMAN. Well, it started out there, and then they said my show wasn't censored, that I didn't have a license for my show.

Mr. KENNEDY. They said those things?

Mr. ZUSMAN. Yes, sir.

Mr. KENNEDY. Who said this?

Mr. ZUSMAN. The vice squad. They had that report. Somebody turned in a report that I was selling whisky after hours, my show was not censored, that I didn't have a permit. I proved I had a permit.

Mr. KENNEDY. Was your show censored?

Mr. ZUSMAN. My show was censored by nine of the vice squad.

Mr. KENNEDY. By what?

Mr. ZUSMAN. Nine of the vice squad, which is the censor board.

Mr. KENNEDY. Nine of them?

Mr. ZUSMAN. I guess there were nine of them. The whole front row was taken.

Mr. KENNEDY. The whole vice squad came in?

Mr. ZUSMAN. The whole vice squad; the lieutenant and a couple of the sergeants, I think.

Mr. KENNEDY. And they all thought the show was fine?

Mr. ZUSMAN. They gave me an O. K. on the show; yes, sir.

Mr. KENNEDY. So this charge that you operated a bad show was disproved?

Mr. ZUSMAN. They didn't say "a bad show."

Mr. KENNEDY. A dirty show?

Mr. ZUSMAN. No; not a dirty show, either.

Mr. KENNEDY. What kind of show was it?

Mr. ZUSMAN. The same shows they operate in this town.

Mr. KENNEDY. What kind?

Mr. ZUSMAN. A girl out there dancing.

Mr. KENNEDY. What did they say about her? Why did all nine of the vice squad have to come look at her?

Mr. ZUSMAN. She had enough clothes on; she didn't touch her body, and she was all right.

Mr. KENNEDY. Why did all nine come?

Mr. ZUSMAN. You have to get your show censored before you get a permit.

Mr. KENNEDY. What else did they say?

Mr. ZUSMAN. They accused my drummer and piano player of being dope fiends. You can laugh, Mr. Kennedy, but it isn't funny. I

worked there for 6 years, and I am working day and night trying to keep the place going. Just a week before this, I saw Mr. Jack Merrill, narcotic division, Portland, Oreg., I asked him to take these two fellows up to his office and give them an examination, and he did, and gave them a clearance.

Mr. KENNEDY. He gave a clearance?

Mr. ZUSMAN. Absolutely.

Mr. KENNEDY. Who was that?

Mr. ZUSMAN. My drummer and piano player.

Mr. KENNEDY. Who was making the charge?

Mr. ZUSMAN. I don't know. They brought the list to me.

Mr. KENNEDY. Who is "they"?

Mr. ZUSMAN. The two men from the vice squad.

Mr. KENNEDY. What did they say?

Mr. ZUSMAN. I asked them, "Would you like to give them an examination also? Would you like to see them?" I took them off the stand, they walked in the room, and I said to the drummer, "Don, and Smiley, where were you last week?" They said, "We went to see Jack Merrill."

"What happened there?"

And they told them. I asked if they wanted to give an examination here, and they said, "Fine," and they stripped down, and they were O. K'd.

Mr. KENNEDY. They were given a clean——

Mr. ZUSMAN. They were given a clean bill of health.

Mr. KENNEDY. What other rumors did they come with?

Mr. ZUSMAN. There are so many of them.

Mr. KENNEDY. All like this?

Mr. ZUSMAN. They are trying to get the place away from me and trying to get me closed. I am not doing anything that I should be closed for, and not doing anything that I should be closed for in that town.

Mr. KENNEDY. What other things did they say you were doing? I think it is a good chance for you to get it all out.

Mr. ZUSMAN. I want to get it out. Once and for all I want the people in Portland, Oreg., to know my place is not infested with prostitutes, hoods, safe men, or anything else.

Mr. KENNEDY. Do you know Helen Hardy?

Mr. ZUSMAN. I don't remember Helen Hardy in 1951. I remember her when she got married. She came in with Helen Smalley.

Mr. KENNEDY. Helen Smalley came in, too?

Mr. ZUSMAN. With Helen Smalley on a party.

Mr. KENNEDY. Did you know them as being madams?

Mr. ZUSMAN. Pardon me?

Mr. KENNEDY. Did you know them as being madams?

Mr. ZUSMAN. Well, sir, I have never seen them take any money, and I never seen them in bed with anybody, so I didn't know what they were doing.

Mr. KENNEDY. Did you know that at that time?

Mr. ZUSMAN. I would hate to say anything like that, sir.

Mr. KENNEDY. But you understood?

Mr. ZUSMAN. I understood, but I never seen them take any money from anybody.

Mr. KENNEDY. They came in to your place?

MR. ZUSMAN. They came in to my place to eat and drink, yes.

MR. KENNEDY. But what about Little Rusty, was she there?

MR. ZUSMAN. Little Rusty? She came to the party a few times, but she hasn't been there for quite a while.

MR. KENNEDY. What about Big Rusty? Was she there?

MR. ZUSMAN. Big Rusty? I haven't seen her in a long time.

MR. KENNEDY. They used to come in occasionally?

MR. ZUSMAN. Sure; they would want to come in and drink, and have a good time, the same as you would want to come.

MR. KENNEDY. What about Kay Hansen? Did she come in?

MR. ZUSMAN. I know a Kay, but she didn't come in to the Desert Room.

MR. KENNEDY. She doesn't come in?

MR. ZUSMAN. No.

MR. KENNEDY. She used to come occasionally?

MR. ZUSMAN. Just have a drink. Nobody is ever taken out of the Desert Room. In fact, in 1955, I believe, they had a man in the Desert Room, I think his name was Ulsner Meisner. He was there for 30 days trying to get a girl. Why should I send a customer out to go with a girl when he is spending money in my club?

MR. KENNEDY. He tried to get a girl from you?

MR. ZUSMAN. He tried to get a girl. They shoot every angle at me.

MR. KENNEDY. Why would he come there?

MR. ZUSMAN. To get an arrest.

MR. KENNEDY. You turned him down?

MR. ZUSMAN. I turned them all down.

MR. KENNEDY. Do a lot of them come in and ask for a girl?

MR. ZUSMAN. A lot of them.

MR. KENNEDY. A lot of them?

MR. ZUSMAN. A lot of them.

MR. KENNEDY. Do you know Charles Canady?

MR. ZUSMAN. Charles Canady hasn't been in the Desert Room—when I first opened the Desert Room I met him at a model supper club; in fact, the Model Supper Club or any club in Portland has just as many people as I do. I am not trying to knock them, but the way it goes, I don't know. Mr. Canady was there, and I met him in 1941 or 1942, and I had not seen him since then, up until the night up at the Model's. At that time, the Desert Room—or all clubs of Portland—was a bottle club. You brought a bottle of whisky, you brought it in, and it was checked in, and then you bought it back. Mr. Canady wanted a locker there, so he could put a bottle of whisky there, so when he came in he wouldn't have to carry a bottle with him.

MR. KENNEDY. What did you do?

MR. ZUSMAN. I gave him a locker. But I haven't seen Mr. Canady in at least 2 years, 2½ years. Don Canady, I think that is the one you are talking about, or Charles Canady.

MR. KENNEDY. Charles.

MR. ZUSMAN. I don't know whether it is Don or Charles.

MR. KENNEDY. You never spoke to him about opening up an oriental house of prostitution, did you?

MR. ZUSMAN. Pardon me?

MR. KENNEDY. You never spoke to him about opening up an Oriental house of prostitution, did you? Did you ever speak to him about that?

Mr. ZUSMAN. I never spoke to him about anything like that.

Mr. KENNEDY. Did you ever hear that rumor about you?

Mr. ZUSMAN. About me?

Mr. KENNEDY. Yes.

Mr. ZUSMAN. You are liable to hear anything about me, as I said before. They are all jealous. They would like to run that club. I have run it clean and I will continue to run it clean. That is why I have to clear myself here.

Mr. KENNEDY. Did Leo Plotkin ever work there?

Mr. ZUSMAN. Yes; he did.

Mr. KENNEDY. When was he working in the Desert Room?

Mr. ZUSMAN. I don't remember the exact date, sir.

Mr. KENNEDY. What was he doing for you?

Mr. ZUSMAN. He was a bartender. He had a bartender's permit in the State of Oregon, and in order to get a bartender's permit in the State of Oregon, you have to be absolutely clean, with no arrests. He was clean and so he went to work.

Mr. KENNEDY. Was he doing anything else?

Mr. ZUSMAN. Outside of bartending?

Mr. KENNEDY. Yes.

Mr. ZUSMAN. Not that I know of, sir. He was absolutely a gentleman at all times.

Mr. KENNEDY. Do you have any gambling in your Desert Room?

Mr. ZUSMAN. We usually play gin rummy once in a while. I had a game there once, but I have cut it all off. Yes, I did.

Mr. KENNEDY. What was the answer?

Mr. ZUSMAN. We had a game there once in a while and then I cut everything off.

Mr. KENNEDY. Was that in the back room?

Mr. ZUSMAN. No; I have a little private room that sets off. But the most they play there is gin rummy.

Mr. KENNEDY. And sort of a little gambling in the back room, in the private little room?

Mr. ZUSMAN. I think the last time I played in that back room, as I told those two vice men that were there, was—it could have been either May, April or May of 1956, and since then nothing, not a thing.

Mr. KENNEDY. Was that all legal?

Mr. ZUSMAN. Pardon me?

Mr. KENNEDY. Was that all legal?

Mr. ZUSMAN. What do you mean was it legal?

Mr. KENNEDY. Was it permitted by law?

Mr. ZUSMAN. If they got away with it, it was all right, but if they got caught, I would suffer.

Mr. KENNEDY. It was permitted by law?

Mr. ZUSMAN. No.

Mr. KENNEDY. But you operated it anyway?

Mr. ZUSMAN. It was a game among ourselves.

Mr. KENNEDY. So you were gambling?

Mr. ZUSMAN. It was among ourselves. No outsiders were allowed back there.

Mr. KENNEDY. Was it in violation of the law?

Mr. ZUSMAN. We did it among ourselves.

Mr. KENNEDY. Was it in violation of the law?

Mr. ZUSMAN. Yes, sir.

Mr. KENNEDY. Did Clyde Crosby come in there?

Mr. ZUSMAN. Yes, sir.

Mr. KENNEDY. How well did you know Clyde Crosby?

Mr. ZUSMAN. I knew him as a customer. He used to come in with his wife. In fact, they were there, I would say, about a month ago.

Mr. KENNEDY. How about Maloney?

Mr. ZUSMAN. Maloney came in.

Mr. KENNEDY. How often was Maloney there?

Mr. ZUSMAN. I haven't seen Maloney—I think I saw him for the first time since—I don't know how long it has been. I closed up and remodeled the club in April 1956. I don't think I saw Mr. Maloney since maybe—

Mr. KENNEDY. Did you see him there very much?

Mr. ZUSMAN. In 1955 he used to come in and drink 7-Up and eat a steak with a baked potato.

The CHAIRMAN. The Chair will announce that the committee has to take a recess, in view of the hour, and since the questioning will continue for a time we will recess until in the morning at 10 o'clock. This witness will continue at that time.

(Members present at the taking of the recess: The Chairman, Senators Irvin, McNamara, Mundt, and Goldwater.)

(Whereupon, at 4:35 p. m., the committee was recessed, to reconvene at 10 a. m., Wednesday, March 6, 1957.)

INVESTIGATION OF IMPROPER ACTIVITIES IN THE LABOR OR MANAGEMENT FIELD

WEDNESDAY, MARCH 6, 1957

UNITED STATES SENATE,
SELECT COMMITTEE ON IMPROPER ACTIVITIES
IN THE LABOR OR MANAGEMENT FIELD,
Washington, D. C.

The select committee met at 10:10 a. m., pursuant to Senate Resolution 74, agreed to January 30, 1957, in the Caucus Room of the Senate Office Building, Senator John L. McClellan (chairman of the select committee) presiding.

Present: Senator John L. McClellan, Democrat, Arkansas; Senator Sam J. Ervin, Jr., Democrat, North Carolina; Senator Pat McNamara, Democrat, Michigan; Senator Joseph R. McCarthy, Republican, Wisconsin; Senator Karl E. Mundt, Republican, South Dakota; and Senator Barry Goldwater, Republican, Arizona.

Also present: Robert F. Kennedy, chief counsel to the select committee; Jerome Adlerman, assistant counsel; Alphonse F. Calabrese, investigator; Ruth Young Watt, chief clerk.

The CHAIRMAN. The committee will be in order.

(Present at the convening of the hearing were Senators McClellan, Ervin, and Goldwater.)

The CHAIRMAN. Mr. Zusman, will you resume the witness stand, please, sir?

TESTIMONY OF NATHAN ZUSMAN, ACCOMPANIED BY COUNSEL, JOHN BONNER—Resumed

The CHAIRMAN. Have a seat, please.

The Chair wishes to announce that Senator Ives has not been attending these hearings on account of illness. Yesterday, Senator Kennedy was unable to attend and is also unable to attend today because he is engaged in holding hearings of Senate Labor and Public Welfare Committee on the wage and hour bill.

It is regrettable, but it is just impossible for Senators to accommodate themselves to all of their responsibilities when these hearings come up when times for other committee hearings clash.

I think the press and the public should know that their absence from the committee is occasioned by factors and circumstances that are beyond their control.

Senator ERVIN. I would just like to state at this time what I think the chairman has previously stated, that I have on occasion been compelled to be absent from these hearings because I have had to

preside over another committee whose meetings conflicted with the meetings of this committee.

The CHAIRMAN. The Chair knows, Senator, that you have been engaged in hearings in the Judiciary Committee and we make those announcements from time to time.

All right, Mr. Kennedy, you may proceed.

Mr. KENNEDY. Mr. ZUSMAN, we were going into yesterday a little bit of your background and some of the rumors that have been spread about you and the Desert Room. You were telling us about that and the fact that all of these things were untrue. I would like to ask you about some of the things.

Mr. ZUSMAN. Would you kindly tell these photographers that they can take pictures afterward, and not while we are talking.

The CHAIRMAN. Your request is about the pictures?

Mr. ZUSMAN. Yes.

The CHAIRMAN. No flash pictures?

Mr. ZUSMAN. No flash and no pictures until we are through.

The CHAIRMAN. While the witness is testifying, gentlemen, there will be no lights on the witness—

Mr. ZUSMAN. Also, Mr. Kennedy, I would like to straighten out a question yesterday. You asked me about a fellow—

The CHAIRMAN. Let the Chair finish, please. There will be no pictures taken while the witness is testifying, and the lights will be turned off him.

You do not mind the light?

Mr. ZUSMAN. No.

The CHAIRMAN. No flash bulb pictures, then.

Mr. KENNEDY. Do you want to correct the record?

Mr. ZUSMAN. You asked me about a fellow, Canady. Is that the only name he has?

I think that I was talking about the wrong Canady, and I don't think that they are the same people. Now, what is his other name? Do you happen to know?

Mr. KENNEDY. You do not know?

Mr. ZUSMAN. I am asking you.

Mr. KENNEDY. What made you think he had another name?

Mr. ZUSMAN. Because I have been trying to rack my brain of who he is.

Mr. KENNEDY. You do not know anybody by that name?

Mr. ZUSMAN. Canady, no, sir.

Mr. KENNEDY. You do not know anybody who has another name and one of their names is Canady, is that right?

Mr. ZUSMAN. You said a Canady.

Mr. KENNEDY. What made you think that he might have another name?

Mr. ZUSMAN. Because I am trying to rack my brain on who he is.

Mr. KENNEDY. You do not have any idea?

Mr. ZUSMAN. No, I don't. It could be Chuck Brown.

Mr. KENNEDY. Very possibly, yes.

Mr. ZUSMAN. I don't know.

Mr. KENNEDY. What made you think it might be Chuck Brown?

Mr. ZUSMAN. Because that is what I am asking you.

Mr. KENNEDY. What made you think Canady and Chuck Brown were one and the same thing?

Mr. ZUSMAN. Because he is called Canady.

Mr. KENNEDY. How did you happen to think that?

Mr. ZUSMAN. Chuck is a nickname for Charles.

Mr. KENNEDY. You are right. Do you know Chuck Brown?

Mr. ZUSMAN. Yes, sir, I do.

Mr. KENNEDY. And he frequents your place?

Mr. ZUSMAN. He comes into my place.

Mr. KENNEDY. Did you ever speak to Chuck Brown, or Chuck Canady, about opening an oriental house of prostitution?

Mr. ZUSMAN. Would you repeat that question, please?

Mr. KENNEDY. It is the same question I asked you yesterday. Did you ever speak to Chuck Canady, or Chuck Brown about opening up an oriental house of prostitution?

Mr. ZUSMAN. I don't know where you got that but you had better make sure you know what you are talking about, but that isn't true.

Mr. KENNEDY. Just deny it or affirm it. Did you or did you not?

Mr. ZUSMAN. I deny it.

Mr. KENNEDY. Now, Miss Helen Hardy, who has admitted she runs houses of prostitution, says this about the Desert Room which you run:

It is frequented by prostitutes and others engaged in or connected with prostitution.

Is that true?

Mr. ZUSMAN. As I told you yesterday, I have been fighting that for 6 years.

Mr. KENNEDY. That is what Helen Hardy says.

Mr. ZUSMAN. I don't care what she says.

Mr. KENNEDY. She is a professional, and she knows about it.

Mr. ZUSMAN. Do I ask a woman who she is or what she is?

Mr. KENNEDY. Just answer the question.

Mr. ZUSMAN. That isn't right, sir.

The CHAIRMAN. Just a moment, now.

The Chair wants to extend you every courtesy but let your answers be responsive to the questions, and we will make better progress.

If you are asked a question about something, and you want to deny it, you just say "No, it is not true" and if it is true, say it is, and then you can give an explanation, if you so desire to. But if you quit this bantering and just answer question now, we will move along a little faster and a little more orderly.

Mr. ZUSMAN. Senator McClellan, how would I know if a woman is a prostitute?

The CHAIRMAN. There are some ways of finding out.

Mr. ZUSMAN. I don't have to find out. I never saw any of those girls take any money.

The CHAIRMAN. You are not asking the Chair questions now, and you are giving testimony.

Proceed, Mr. Kennedy.

Mr. KENNEDY. Now, as Helen Hardy says, is your place frequented by prostitutes and others engaged in or connected with prostitution?

Mr. ZUSMAN. I wouldn't know who she was referring to.

Mr. KENNEDY. Do you think that is possible, then?

Mr. ZUSMAN. It could be, yes.

Mr. KENNEDY. Thank you. Now, this is another statement:

Because of the persons who frequent the Desert Room, information concerning prostitution is generally heard there.

Is that true?

Mr. ZUSMAN. That I don't know.

Mr. KENNEDY. You do not know the answer to that?

Mr. ZUSMAN. No.

Mr. KENNEDY (reading):

Mr. Zusman was known to have the most current information regarding prostitution.

Now this is Helen Hardy, and this is not general rumor, and she stated this under oath. You are supposed to have the most general information in Portland on prostitution.

Is that true?

Mr. ZUSMAN. That is why I asked you yesterday to put us both under a lie detector, because I want to find out if it is true.

Mr. KENNEDY. Can you answer it?

Mr. ZUSMAN. I can't answer it because you want to know about prostitution.

Mr. KENNEDY. Are you an expert on that?

Mr. ZUSMAN. I am a what?

Mr. KENNEDY. Are you an expert on prostitution?

Mr. ZUSMAN. I wouldn't be married 16 years to the same woman, if I was.

Mr. KENNEDY. Could you answer the question?

Mr. ZUSMAN. No; I am no expert on that.

Mr. KENNEDY. And she says there, talking about her partner—

We would talk with Mr. Zusman about anything that might be of interest concerning prostitution.

Did she and her partner talk to you about that?

Mr. ZUSMAN. I am not interested in prostitution.

Mr. KENNEDY. Did she talk to you and she and her partner talk to you about things concerning prostitution?

(The witness conferred with his counsel.)

Mr. BONNER. May I confer with the witness?

The CHAIRMAN. You may advise him of his legal rights.

(The witness conferred with his counsel.)

Senator ERVIN. If I may make a suggestion, you might suggest to him that he is tempting, by his manner of testifying, he is tempting somebody to quote the statement I believe from Shakespeare, "Me thinks thou does protest too much."

Mr. BONNER. Senator—

The CHAIRMAN. Do you understand the question? Try to answer it and proceed.

Mr. KENNEDY. What is the answer to the question?

Mr. ZUSMAN. Would you repeat the question?

Mr. KENNEDY. Helen Hardy says that she and her partner, Helen Smalley, would talk with Mr. Zusman about anything that might be of interest concerning prostitution. Is that true or not?

Mr. ZUSMAN. That is not true.

Mr. KENNEDY. It is not true?

Mr. ZUSMAN. That is not true.

Mr. KENNEDY. Did you ever talk about prostitution with Helen Hardy or Helen Smalley?

Mr. ZUSMAN. About prostitution?

Mr. KENNEDY. Yes.

Mr. ZUSMAN. No.

Mr. KENNEDY. You never did.

Mr. ZUSMAN. No, sir.

Mr. KENNEDY. She goes on and says—

Sometime in May or June of 1955, Mr. Zusman talked with Helen Smalley and me about the possibility of opening a "call house."

Did you talk to Helen Smalley and Helen Hardy about opening a "call house"?

Mr. ZUSMAN. No, I did not.

Mr. KENNEDY. You are sure of that?

Mr. ZUSMAN. Positive.

Mr. KENNEDY. She states that under oath.

Mr. ZUSMAN. That is all right. I will state under oath, too.

Mr. KENNEDY. And then she states that Mr. Zusman was aware that Helen Smalley and I were partners and had in the past operated houses of ill fame.

Is that true?

Mr. ZUSMAN. I didn't understand that, sir.

Mr. KENNEDY. Could you listen, please?

Mr. ZUSMAN. I am listening.

Mr. KENNEDY (reading):

Mr. Zusman was aware that Helen Smalley and I—

meaning Helen Hardy—

were partners and had in the past operated houses of ill fame.

Had you known that?

Mr. ZUSMAN. I have heard it.

Mr. KENNEDY. Did you know that?

Mr. ZUSMAN. No, I never have been in one of her places.

Mr. KENNEDY. Did you know that?

Mr. ZUSMAN. I just heard it and it is just hearsay to me.

Mr. KENNEDY. Then, she says that Mr. Zusman said that he had very reliable information that Mr. William M. Langley the district attorney for the Portland area, was not going to permit houses of ill fame to operate, but that he would have no objection to call houses and call girls operating.

Did you ever make that statement?

Mr. ZUSMAN. I don't even know William Langley. The first time I ever saw him in my life was right here Thursday.

Mr. KENNEDY. Did you ever make that statement?

Mr. ZUSMAN. I wouldn't know where I would be able to get it from.

Mr. KENNEDY. That is not the question.

Mr. ZUSMAN. I never made that statement and I wouldn't know where to get it from.

Mr. KENNEDY. Did you ever make that statement?

Mr. ZUSMAN. No, I did not make that statement.

Mr. KENNEDY. Did you ever talk about the call houses?

Mr. ZUSMAN. No, not to her.

Mr. KENNEDY. Did you talk to her partner about call houses?

Mr. ZUSMAN. No.

Mr. KENNEDY. Did you ever tell her that you understood that the district attorney wouldn't mind if they opened up call houses?

Mr. ZUSMAN. I can't speak for the district attorney.

Mr. KENNEDY. I did not ask you that, whether you can speak for him and I did not ask you if you knew him. All I asked you was whether you gave her assurances that she and her partner could open up call houses?

Mr. ZUSMAN. No, I did not.

Mr. KENNEDY (reading):

And Mr. Zusman said he had received information that a call-house operation would be all right with Mr. Langley.

Did you ever tell her that?

Mr. ZUSMAN. I don't know how to say that. Where would I get the assurances?

Mr. KENNEDY. Just answer the question. Did you ever say that?

Mr. ZUSMAN. No.

Mr. KENNEDY. You never did?

Mr. ZUSMAN. No, sir.

Mr. KENNEDY. You deny it?

Mr. ZUSMAN. I deny it.

Mr. KENNEDY:

Mr. Zusman said that he understood that Mr. Langley would not molest a call-house operation.

Did you ever say that?

Mr. ZUSMAN. I didn't get that question.

Mr. KENNEDY (reading):

Mr. Zusman said that he understood that Mr. Langley would not molest a call-house operation.

(The witness consulted with his counsel.)

Mr. KENNEDY. These are statements that Helen Hardy is making and she says that this is conversation that she had with you.

Mr. ZUSMAN. That is why——

Mr. KENNEDY. She said you are an expert in this field.

Mr. ZUSMAN. I do not know anything about prostitution.

Mr. KENNEDY. I am just telling you what Helen Hardy says.

Mr. ZUSMAN. I don't care what she said, Mr. Kennedy.

Mr. KENNEDY. Now, our investigators went out and tried to talk to you in Portland, to get this whole story and you didn't want to talk to them.

Mr. ZUSMAN. Your investigators, I have no respect for them.

Mr. KENNEDY. They asked you rude questions?

Mr. ZUSMAN. No; they tried to put words in my mouth for me.

Mr. KENNEDY. We are going to let you put your own words in here.

Mr. ZUSMAN. That is what I want to do.

Mr. KENNEDY. And let you straighten out the record.

Mr. ZUSMAN. That is right.

Mr. KENNEDY. Are you an expert on that?

Mr. ZUSMAN. I don't know anything about prostitution.

Mr. KENNEDY. Helen Hardy comes in and says under oath that you are an expert on prostitution and that you told her she could open up

a call house because of assurances that you knew the district attorney would not bother her.

Mr. ZUSMAN. That is a lie.

Mr. KENNEDY (reading) :

Then he asked Helen Smalley and me if we would be interested in opening up a call house.

Did you ask her that?

Mr. ZUSMAN. No, I did not.

Mr. KENNEDY (reading) :

And Mr. Zusman was anxious for us to get in on the ground floor and even offered to put up money to help us finance such an operation if we needed it.

Mr. ZUSMAN. Mr. Kennedy, as far as putting up money for anything, I just don't happen to have any.

Mr. KENNEDY. Could you answer the question.

Mr. ZUSMAN. I never offered her no money.

Mr. KENNEDY. Did you offer her partner money?

Mr. ZUSMAN. I didn't offer any of them any money.

Mr. KENNEDY. Did you offer to finance a call house?

Mr. ZUSMAN. I never did.

Mr. KENNEDY. You never did?

Mr. ZUSMAN. No.

Mr. KENNEDY. We checked with Helen Smalley, Helen Hardy's partner, Mr. Chairman, and her partner, Helen Smalley, says that Mr. Zusman as she told our investigators, offered money to Helen Hardy and Helen Smalley to open up a call house.

She affirms the affidavit and the statement made under oath here before the committee by Helen Hardy.

The CHAIRMAN. Let me ask, do we have an affidavit from her?

Mr. KENNEDY. We are trying to get it now.

The CHAIRMAN. I will instruct the staff to pursue it and get whatever information may be available.

Mr. KENNEDY. She goes on to say, Helen Hardy, that—

Mr. Zusman told us that Mr. Maloney was the man who had given him the information concerning Mr. Langley's attitude concerning call houses.

Did Mr. Maloney give you any information regarding call houses?

Mr. ZUSMAN. Mr. Maloney never gave me any information of any kind.

Mr. KENNEDY. Never came up with information of any kind?

Mr. ZUSMAN. Not like that, no, not of any call houses or something.

Mr. KENNEDY. He never discussed call houses with you?

Mr. ZUSMAN. I am not in that business; no.

Mr. KENNEDY. What is the answer to the question?

Mr. ZUSMAN. No.

Mr. KENNEDY. He never discussed call houses with you?

Mr. ZUSMAN. No.

Mr. KENNEDY. He never discussed what the district attorney's opinion of call houses was?

Mr. ZUSMAN. No.

Mr. KENNEDY. He never discussed that at all?

Mr. ZUSMAN. No.

Mr. KENNEDY. And based on that you didn't go then, to Helen Smalley and Helen Hardy and tell them that they could open up?

Mr. ZUSMAN. They always came down to the club, to eat.

Mr. KENNEDY. Did you ever discuss with them, based on the statements that Mr. Maloney made to you, did you ever discuss with them the fact that they could go ahead and open up a call house?

Mr. ZUSMAN. Not me.

Mr. KENNEDY. And told them to get in there quickly and get in on the ground floor?

Mr. ZUSMAN. Not me.

Mr. KENNEDY. And you would put up the money?

Mr. ZUSMAN. Where would I get the money?

Mr. KENNEDY. Tell me this: After Helen Hardy and Helen Smalley got this place on Pettigrove Street, did you ever go to their place?

Mr. ZUSMAN. I was there twice.

Mr. KENNEDY. You went up to the place?

Mr. ZUSMAN. Yes; I delivered some sandwiches to them and I used to make barbeque sandwiches and barbeque spareribs there and we delivered sandwiches to them.

Mr. KENNEDY. Why did you do that?

Mr. ZUSMAN. I would do that for anybody.

Mr. KENNEDY. Just anybody who wants sandwiches?

Mr. ZUSMAN. If they want to call the club, I will deliver.

Mr. KENNEDY. You will go up and deliver them?

Mr. ZUSMAN. Absolutely.

Mr. KENNEDY. And you went twice?

Mr. ZUSMAN. Yes, sir.

Mr. KENNEDY. Now, they said or Helen Hardy said, when you came up there you admired the appointments. Did you admire the appointments when you were up there.

Mr. ZUSMAN. Admired the what?

Mr. KENNEDY. Admired the appointments.

The CHAIRMAN. The furnishings, you know what he means.

Mr. ZUSMAN. I didn't know what "appointments" means.

The CHAIRMAN. You did not know?

Mr. ZUSMAN. No; I didn't.

Mr. KENNEDY. But you went up there twice?

Mr. ZUSMAN. That's right.

Mr. KENNEDY. Just to deliver sandwiches?

Mr. ZUSMAN. That's right.

Mr. KENNEDY. I see. I guess you know what the place was being used for, then.

Mr. ZUSMAN. No; I wouldn't say that because I never saw no men there and I never saw no girls there.

Mr. KENNEDY. You just thought they were living up there?

Mr. ZUSMAN. No; I just saw the Helens, either one of the Helens, or the other Helen.

Mr. KENNEDY. So you never knew even what business they were in?

Mr. ZUSMAN. Well, you asked me about business, and I never saw any men there and I never saw a woman there.

Mr. KENNEDY. Even when you went up there you did not know?

Mr. ZUSMAN. What do you mean, I didn't know?

Mr. KENNEDY. You didn't know what it was? You didn't know whether it was a house of prostitution or not?

Mr. ZUSMAN. I didn't see anybody there give anybody any money or any girls or any men and so how could I say it was a house of prostitution?

The CHAIRMAN. The question is, when you went up there, did you know that it was a call house, and they were operating that kind of a house? I do not care whether you saw a girl or not. Answer the question.

(The witness consulted with his counsel.)

(At this point in the proceedings, Senator McNamara entered the hearing room.)

Mr. ZUSMAN. It was hearsay that it was a call house.

The CHAIRMAN. You either know it of your personal knowledge or you knew it from hearsay and reputation.

Mr. ZUSMAN. I heard it from hearsay.

The CHAIRMAN. You knew at the time, you were satisfied, you were convinced of the kind of house it was, were you not, before you went up there?

Mr. ZUSMAN. By hearsay; yes.

Mr. KENNEDY (reading):

Mr. Zusman further said that Mr. Maloney knew Mr. Langley so well that he referred to him as "The Kid".

Did Mr. Maloney ever refer to Mr. Langley as The Kid?

Mr. ZUSMAN. I never heard Mr. Maloney refer to Mr. Langley as The Kid.

Mr. KENNEDY. You never did?

Mr. ZUSMAN. I never did.

Mr. KENNEDY. And you never made that statement?

Mr. ZUSMAN. I never made that statement and I never heard Mr. Maloney refer to Mr. Langley as The Kid.

Mr. KENNEDY. The Kid?

Mr. ZUSMAN. "The kid," or "kids," or whatever you want to say it is.

Mr. KENNEDY (reading):

And Mr. Zusman reassured us that if we opened a call house we would not be molested by the district attorney and that we would be in a good position to make some money.

Did you ever assure Helen Hardy and Helen Smalley of that?

Mr. ZUSMAN. Mr. Kennedy, I couldn't assure anything in Portland, no.

Mr. KENNEDY. What is the answer?

Mr. ZUSMAN. No.

Mr. KENNEDY. You never did?

Mr. ZUSMAN. No.

Mr. KENNEDY. Why would Helen Hardy make all of these false statements about you?

Mr. ZUSMAN. I don't know.

Mr. KENNEDY. And all of these rumors that are going around?

Mr. ZUSMAN. I don't know.

Mr. KENNEDY. And then she is talking about the time that you and Mr. Maloney came to their house, and—

While there, Mr. Maloney told us that Mr. Langley was not going to have any objection to this kind of operation. He referred to Mr. Langley as "The Kid."

Did that happen?

Mr. ZUSMAN. I went up there and I went up there to deliver sandwiches and spare-ribs sandwiches and I asked Maloney if he wanted to take a ride. And we went up there in my car and I took the stuff in the kitchen and what they talked about, I don't know.

Mr. KENNEDY. You think that they might have talked about this?

Mr. ZUSMAN. I don't know. I didn't hear anything and so I don't know.

Mr. KENNEDY. You didn't hear Mr. Maloney give Helen Hardy assurances that the district attorney—

Mr. ZUSMAN. No, sir.

Mr. KENNEDY. But they were out of earshot from you?

Mr. ZUSMAN. What they talked about was their business.

Mr. KENNEDY. Now—

We began operations in this house on July 5, 1955, and we had two girls living in the house. On the first night of our operations, Mr. Zusman referred two men to us.

Is that true?

Mr. ZUSMAN. I referred what, sir?

Mr. KENNEDY. You referred two men to Helen Hardy and Helen Smalley. Is that true?

Mr. ZUSMAN. No, I did not. I wouldn't let my customers walk out of my club to go up there.

Mr. KENNEDY. That is what she said there.

Mr. ZUSMAN. I don't care what she says.

Mr. KENNEDY (reading) :

One of these men paid \$400 and the other \$200. Out of that amount, we gave Mr. Zusman \$120.

Mr. ZUSMAN. I never received anything.

Mr. KENNEDY. Did you receive \$120?

Mr. ZUSMAN. Not a nickel.

Mr. KENNEDY. Did you receive any money?

Mr. ZUSMAN. No, none from anybody.

Mr. KENNEDY. Why would Helen Hardy come in here and make that statement about you?

Mr. ZUSMAN. I don't know, that is the reason I want her to take a lie test.

Mr. KENNEDY. Then, Helen Smalley says that you wanted to put up money for these places.

Mr. ZUSMAN. I wouldn't know where I would get the money.

Mr. KENNEDY. That is what she says.

Mr. ZUSMAN. I don't care what they said. I am accused of everything else and you might as well accuse me of that, too.

The CHAIRMAN. Let the Chair ask you a question. Let us indulge for the moment, if I may, that you are wholly innocent of all of these things.

Mr. ZUSMAN. I am innocent of that; yes.

The CHAIRMAN. Just for the purpose of this question. Can you give any reason, or can you imagine any cause why this woman would want to connect you with it when there is no apparent reason to give her any advantage from doing so?

Mr. ZUSMAN. I can't answer that, sir.

The CHAIRMAN. I am just looking at it objectively. I can see no advantage she would gain by coming in here and telling this story

about her connections with you and her activities and the assurances you gave her.

I see no advantage she gains by telling that, even if it is a lie. Now, can you figure out any reason and give us any suggestion why she would want to come in here and single you out to lie about you?

Mr. ZUSMAN. I don't know that, sir. But may I ask you a question?

The CHAIRMAN. No, sir; you cannot.

Proceed, Mr. Kennedy.

Mr. KENNEDY (reading):

During this period, I may have paid Mr. Zusman other amounts of money.

Mr. ZUSMAN. Pardon me, Mr. Kennedy, please.

(The witness consulted with his counsel.)

Mr. ZUSMAN. Mr. Kennedy, you asked about the \$120. Now, Helen Hardy could have held that out on her partner and said she gave it to me. That is possible, but I never received 10 cents, or a penny, and I make a living selling whisky and I am not interested in that stuff.

Mr. KENNEDY (reading):

During this period I may have paid Mr. Zusman other amounts of money for referral of customers, but I am confident that I have not paid him more than \$215 to \$230 as a result of his referring business during the period July 1955 to December of 1955.

Now, did she pay you more than that?

Mr. ZUSMAN. She never paid me 5 cents and I never took 5 cents and I never gave anybody 5 cents.

Mr. KENNEDY. Did she call you when police started to come in front of her place?

Mr. ZUSMAN. Pardon me, sir?

Mr. KENNEDY. Did she call you and telephone you when police cars began to come in front of her house?

(The witness consulted with his counsel.)

Mr. KENNEDY. Let me read this to you and try to refresh your recollection:

We had been in operation on Pettigrove Street for 2 or 3 weeks when we noticed police cars were parking in front of our house, from 10:30 at night until 3 in the morning.

We noticed police cars in front of the house and I called Mr. Zusman and told him about it.

Did she call you?

Mr. ZUSMAN. She called me, but at that time, sir, there were police cars of the chief of police, he had police cars in front of every place in the city of Portland.

Mr. KENNEDY. What would she call you about?

Mr. ZUSMAN. I don't know and I told her police cars are in front of every place.

Mr. KENNEDY. Every place?

Mr. ZUSMAN. Every place in Portland.

Mr. KENNEDY. Every house and every home in Portland had a police car?

Mr. ZUSMAN. No, not every place or every home. Right across the street from the Desert Room there is a place there that is supposed to be a house of prostitution and I don't know whether it is or not. But they had police cars in front of there and they had police cars in front of my place.

Mr. KENNEDY. They did?

Mr. ZUSMAN. They had police cars all over.

Mr. KENNEDY. In front of every call house and every house of prostitution, and your place?

Mr. ZUSMAN. Pardon me?

Mr. KENNEDY. I am just trying to find out where the police cars were.

Mr. ZUSMAN. He had them all over town.

Mr. KENNEDY. Every place?

Mr. ZUSMAN. Practically, I think, yes, and I don't know.

Mr. KENNEDY. Why would they put them in front of Helen Hardy's place?

Mr. ZUSMAN. I don't know.

Mr. KENNEDY. Why did she call you then and say the police cars were there?

Mr. ZUSMAN. I told her police cars were all over.

Mr. KENNEDY. All over where? You mean they had enough police cars to put them in front of every place in Portland?

Mr. ZUSMAN. They find them.

Mr. KENNEDY. Find what?

Mr. ZUSMAN. You don't know the city of Portland. They find them.

Mr. KENNEDY. What is "them"?

Mr. ZUSMAN. The policemen. They had nothing else to do so they watch places like that.

Mr. KENNEDY. Places like what?

Mr. ZUSMAN. Like you are mentioning.

Mr. KENNEDY. I thought you didn't even know what this place was.

Mr. ZUSMAN. I just got through telling you, I can't say it was a place like that because I never saw no men and no girls.

Mr. KENNEDY. Why did she call you?

Mr. ZUSMAN. Because she knows right across the street there is supposed to be a place like that and there were police cars in front of there.

Mr. KENNEDY. What would she call you about?

Mr. ZUSMAN. I told her police cars were all over.

Mr. KENNEDY. You knew then it was a house of prostitution?

Mr. ZUSMAN. I told you earlier in my statement, if you remember, that it was hearsay, her place was there.

Mr. KENNEDY. But this is a little bit more than hearsay. She called you and told you.

Mr. ZUSMAN. I just got through saying that right across the street from our club is a place that is supposed to be a house of prostitution and I don't know whether it is or not. They had arrests there, but I can't say.

The CHAIRMAN. Did you not testify earlier that you did not talk to Miss Hardy about prostitution?

Mr. ZUSMAN. She didn't ask me about prostitution. She asked me about police cars, sir.

The CHAIRMAN. Well, you knew what she was talking about, did you not?

Mr. ZUSMAN. The hearsay that she was up there, but I didn't know anything about that.

The CHAIRMAN. You knew when she called you that she was running that kind of a house and she was calling you protesting about those cars being parked out there in front.

Mr. ZUSMAN. Mr. McClellan——

The CHAIRMAN. Wait a minute. Is that not a fact?

Mr. ZUSMAN. No.

The CHAIRMAN. That is not true?

Mr. ZUSMAN. No; it is not true.

The CHAIRMAN. Why would she call you about it, then?

Mr. ZUSMAN. Why?

The CHAIRMAN. Yes.

Mr. ZUSMAN. Because, like I said, there is a place right across the street from us.

The CHAIRMAN. She did not care if that one was closed so long as she could run?

Mr. ZUSMAN. I don't know what she was thinking about.

The CHAIRMAN. If she got rid of her competition, that would make it more profitable for her, would it not?

Mr. ZUSMAN. I wouldn't know that.

The CHAIRMAN. You would not? You are a businessman, are you not?

Mr. ZUSMAN. I would like to see them come around my place, and the more clubs the better I like it.

The CHAIRMAN. She was not calling you to ask about the other one, whether cars were parked in front of the one by your place of business, was she?

Mr. ZUSMAN. She didn't? That is the reason she called me and she was saying that.

The CHAIRMAN. She called you to tell you that they were parked there in front of her place of business?

Mr. ZUSMAN. And also parked across the street, I told her.

The CHAIRMAN. All right; proceed.

Mr. KENNEDY. Now, Helen Hardy also states, sort of summarizing it for us, she says:

The reason Helen Smalley and I opened our place on Pettigrove Street was that we were certain that the district attorney would not molest us, or any other call house. This certainty was based upon Mr. Zusman's statements that he had reliable information to this effect.

Now, is that true?

Mr. ZUSMAN. How could I say? No; it is not true, and may I explain my answer? May I explain that answer to you, Mr. Kennedy? I am trying to explain something to you. I don't even know the district attorney, and so how could I go ahead and tell them that? I never saw that man before in my life until I saw him here last Thursday.

Mr. KENNEDY. Did you discuss it with Mr. Maloney?

Mr. ZUSMAN. I haven't discussed anything like that with Mr. Maloney.

Mr. KENNEDY. He didn't like to discuss those things?

Mr. ZUSMAN. I don't know what he liked to discuss, but I wasn't interested.

Mr. KENNEDY. Did he ever approach you and start to discuss it?

Mr. ZUSMAN. Nothing like that.

Mr. KENNEDY. He never did?

Mr. ZUSMAN. No.

Mr. KENNEDY. Then she goes on to say:

The reason we opened the place was the willingness of Mr. Zusman to invest his own money in the place.

Mr. ZUSMAN. Mr. Kennedy, I wish you were poor and could see the trouble I have trying to keep my place going and the amount of money I got. Where would I get the money?

Mr. KENNEDY. You have a lot of trouble keeping it going?

Mr. ZUSMAN. I am; just for that one reason.

Mr. KENNEDY. Because of all of these rumors?

Mr. ZUSMAN. Not only that. We have got a police lieutenant in the city of Portland by the name of Carl Crisp, who is a stooge for Mr. Jim Elkins, and that is the guy I get all of my trouble from, and if you want the truth you are going to get it.

Mr. KENNEDY. This is Helen Hardy, from Montana.

Mr. ZUSMAN. I don't care where she is from.

Mr. KENNEDY. And Helen Smalley is from Nevada, and they are making these statements, and that has nothing to do with Mr. Elkins in Portland. Helen Smalley is making this statement about you from Nevada and Helen Hardy from Montana and they are saying that you wanted to put money in call houses.

Mr. ZUSMAN. Mr. Kennedy, may I ask a question of this investigating committee? If they want the truth, I want assurances from this investigating committee that nothing will happen to me or my wife, because one of your witnesses has already been threatened.

The CHAIRMAN. Now, let me see. You say if I want the truth you will give the truth, if we can give you assurances you will not be bothered. Is that what you just said?

Mr. ZUSMAN. That I will not be bothered. If you want the truth I will give you the truth. I told you the truth so far.

The CHAIRMAN. You mean you have not given the truth?

Mr. ZUSMAN. I have given you the truth so far, but if you want the real story of Portland, you can have it.

The CHAIRMAN. All right, let us have it.

Mr. ZUSMAN. Do you want it?

The CHAIRMAN. Yes; give us the story of Portland, right fast.

Mr. ZUSMAN. Senator, this investigation that you are doing here right now, the people of Portland will never believe it. The main thing for this investigation is to keep the Oregonian from losing a \$2 million libel suit Mr. Langley has against them.

As I said before, I don't know Mr. Langley. We have in Portland a police lieutenant, Carl Crisp, and he takes his orders from Mr. Elkins. For one reason, one of my employees is in late and he goes to have a cup of coffee, and this employee is picked up by the vice squad under orders of Mr. Elkins.

The CHAIRMAN. Proceed. I want to find out who is running the town.

Mr. ZUSMAN. Mr. Elkins ran the town up until December 31, 1956.

The CHAIRMAN. All right; proceed.

Mr. ZUSMAN. He is your witness and I don't think much of him, and I never had any dealings with the man.

The CHAIRMAN. He might think less of you, but that is not important.

Mr. ZUSMAN. I think less of him.

The CHAIRMAN. All right; proceed.

Mr. ZUSMAN. He had this man picked up, and he worked for me, and I have the checks and statements to prove it that a man worked for me from 3 and he would get off and he watches the club until 2:30. At that time he went and had coffee and he was picked up by the vice squad and taken up to the gymnasium and given a beating.

The CHAIRMAN. That is your story?

Mr. ZUSMAN. That is the story, and that is the truth.

The CHAIRMAN. All right; proceed.

Mr. ZUSMAN. I am not only fighting for myself, Mr. Kennedy. I am not fighting for my club. I am also fighting for Portland, which is the finest town in this country.

The CHAIRMAN. You are fighting for Portland?

Mr. ZUSMAN. You bet I am.

The CHAIRMAN. Good.

Mr. ZUSMAN. I wish you would live there and you would see how nice a town you are living in.

Mr. KENNEDY. I just have a few other questions.

Mr. ZUSMAN. It is that reason, when your two investigators came to me and started asking questions, I couldn't answer the questions they asked me.

Mr. KENNEDY. What sort of questions did they ask?

Mr. ZUSMAN. I wish you would repeat those questions they asked me. Would you mind doing that?

Mr. KENNEDY. What questions did they ask you that were rude and insulting?

Mr. ZUSMAN. Rude and insulting? The first one was, was I in a pinball-machine business, and I never owned a pinball machine.

Mr. KENNEDY. Is that bad?

Mr. ZUSMAN. Just a second, sir.

Mr. KENNEDY. I am sorry.

Mr. ZUSMAN. A pinball-machine business is a business by itself, and there is nothing wrong with it, and I put my nickels in it.

The CHAIRMAN. What is insulting about asking if you have been in the pinball business, and what is insulting about that?

Mr. ZUSMAN. For one thing, Mr. Kennedy, because they knew I was never in a pinball-machine business, and they had my name mixed up with somebody else.

The CHAIRMAN. I do not know whether you were or not. I am on this committee—

Mr. ZUSMAN. You would ask me in a different way than they asked me.

The CHAIRMAN. I will ask you. Have you ever been in a pinball business?

Mr. ZUSMAN. Never.

The CHAIRMAN. I will ask you some other questions before you finish and go ahead. I am not afraid to ask questions.

Mr. KENNEDY. What else did they ask you that was insulting and rude and made you feel that they were a disgrace to the Senate?

Mr. ZUSMAN. They also said to me—

Mr. KENNEDY. Besides the fact that they asked you whether you were in the pinball business. That is No. 1.

(The witness consulted with his counsel.)

The CHAIRMAN. He can advise him about his legal rights.

(The witness consulted with his counsel.)

Mr. ZUSMAN. Mr. Kennedy, the questions they were trying to ask me were not questions. They were sort of an accusation like, "Didn't you do this?" and "Didn't you do that?" They didn't say, "Did you?" and that is when I got mad and I blew up.

Mr. KENNEDY. That is what you have to find out from your attorney? Was your attorney there?

Mr. ZUSMAN. Pardon me?

Mr. KENNEDY. Was your attorney there?

Mr. ZUSMAN. I told my attorney the truth, sir. Mr. Calabrese and Mr. Adlerman are right here and you ask them if they didn't say, "Didn't you do this?" and "Didn't you do that?"

Mr. KENNEDY. Didn't you do what?

Mr. ZUSMAN. Didn't I give somebody an okay. And I would like to know what an "okay" means.

The CHAIRMAN. The committee has been asking you, "Didn't you do this?" and "Didn't you do that?" and we are going to ask you some more.

Mr. ZUSMAN. You said "did," and you didn't say "didn't."

The CHAIRMAN. I will ask you "didn't you?"

Mr. ZUSMAN. I never said that or you would have got the same answer they got.

Mr. KENNEDY. What else did they do?

Mr. ZUSMAN. That is when I blew up and when they said, "Didn't you do this?" and "Didn't you do that?" and I had the proof for it.

Mr. KENNEDY. What?

Mr. ZUSMAN. I have the proof for the questions they asked.

Mr. KENNEDY. Do you?

Mr. ZUSMAN. You bet I have.

Mr. KENNEDY. Where is the proof?

Mr. ZUSMAN. Would you mind my talking to you privately for just a second?

Mr. KENNEDY. Just tell us.

The CHAIRMAN. You will be around here long enough.

Mr. KENNEDY. Where is the proof?

Mr. ZUSMAN. The proof is in Portland.

Mr. KENNEDY. What sort of proof?

Mr. ZUSMAN. A Journal reporter that was in the next room at the time they were questioning me.

The CHAIRMAN. You had a reporter in the next room?

Mr. ZUSMAN. You bet I did. I didn't trust those guys and they didn't trust me. There was two and I was by myself and I didn't trust them.

Mr. KENNEDY. You didn't have an attorney?

Mr. ZUSMAN. I had an attorney. My attorney happened to be there, and I didn't call him.

Mr. KENNEDY. He just happened to be there?

Mr. ZUSMAN. I did not call the man.

Mr. KENNEDY. So you had him and you were not all by yourself?

Mr. ZUSMAN. No, I wasn't by myself. I don't trust those two people.

Mr. KENNEDY. Who was the reporter that you had?

Mr. ZUSMAN. Mr. Brad Williams.

Mr. KENNEDY. He is the one that prepared that document, was he?

Mr. ZUSMAN. What document?

Mr. KENNEDY. Mr. Brad Williams of the Oregon Journal.

Mr. ZUSMAN. What document, sir?

Mr. KENNEDY. Let us go back. You had Mr. Brad Williams there?

Mr. ZUSMAN. Yes, I had him there.

Mr. KENNEDY. Where was he?

Mr. ZUSMAN. He was in the next room.

Mr. KENNEDY. And you invited him up?

Mr. ZUSMAN. I asked him to come up.

Mr. KENNEDY. To listen to the conversation?

Mr. ZUSMAN. Yes, sir, to listen to the conversation.

Mr. KENNEDY. To listen to the questions that the investigators for this committee were asking you?

Mr. ZUSMAN. That is right.

Mr. KENNEDY. He was hiding in the next room?

Mr. ZUSMAN. That is right.

Mr. KENNEDY. Then, your attorney was there, too?

Mr. ZUSMAN. My attorney was there, but I didn't call him there, sir. I can verify that, and I did not call him there. He was there and when Mr. Calabrese—

Mr. KENNEDY. Did you put him in the next room?

Mr. ZUSMAN. No, I did not.

Mr. KENNEDY. Don't you know you put him in there?

Mr. ZUSMAN. I put him right in the same room with Mr. Calabrese and Mr. Adlerman.

Mr. KENNEDY. What was he doing in the next room?

Mr. ZUSMAN. Who?

Mr. KENNEDY. Your attorney was not in the next room at all?

Mr. ZUSMAN. My attorney was in the bar.

Mr. KENNEDY. He was in the bar?

Mr. ZUSMAN. Yes, sir.

Mr. KENNEDY. Is that the next room?

Mr. ZUSMAN. Pardon me?

Mr. KENNEDY. Is that in the next room where they were talking to you?

Mr. ZUSMAN. No, there is a hall and then there is—

Mr. KENNEDY. Did he just happen to be there?

Mr. ZUSMAN. My attorney just happened to be there, yes.

Mr. KENNEDY. What time did you talk to these two gentlemen?

Mr. ZUSMAN. I guess it was around 10:30.

Mr. KENNEDY. At night?

Mr. ZUSMAN. At night, yes, sir.

Mr. KENNEDY. And he just happened to be there?

Mr. ZUSMAN. That is right and I didn't call my attorney.

Mr. KENNEDY. The only one you called was Mr. Brad Williams?

Mr. ZUSMAN. I called Mr. Brad Williams.

Mr. KENNEDY. Why did you happen to call him?

Mr. ZUSMAN. Because I wanted a little witness. They had two of them and I was there by myself.

Mr. KENNEDY. Did they say you couldn't have an attorney there?

Mr. ZUSMAN. They didn't say anything to me, sir.

Mr. KENNEDY. Why didn't you have an attorney? They did not say you had to talk to them by yourself?

Mr. ZUSMAN. I didn't call my attorney. He happened to be there.

Mr. KENNEDY. Did they tell you that you could not have your attorney there?

Mr. ZUSMAN. I told them I was going to call my attorney and I went out and got him and brought him in.

Mr. KENNEDY. Did they tell you that you had to talk to them by yourself?

Mr. ZUSMAN. No.

Mr. KENNEDY. Why did you go get a newspaper reporter and have him listen?

Mr. ZUSMAN. Because I wanted him to know what was going on.

Mr. KENNEDY. Why?

Mr. ZUSMAN. Why?

Mr. KENNEDY. Yes, why?

Mr. ZUSMAN. Because I didn't trust those two guys.

Mr. KENNEDY. Didn't you bring your attorney in?

Mr. ZUSMAN. My attorney just happened to be there. I did not call my attorney.

Mr. KENNEDY. Why didn't you trust them?

Mr. ZUSMAN. Why?

Mr. KENNEDY. Yes; why didn't you trust them? Had you ever seen them before?

Mr. ZUSMAN. That is why I didn't trust them. That is, I still don't trust them because everything they brought you is hearsay.

Mr. KENNEDY. This is Helen Hardy; under oath, I just want to ask you, Was your automobile stopped in Reno, Nev., recently?

Mr. ZUSMAN. Pardon me?

Mr. KENNEDY. Was your automobile, was it taken to Reno, Nev., and stopped by the police there recently?

Mr. ZUSMAN. Well, there is Reno, Nev., I will tell you about that. Just like I get accused of everything else, I will tell you that.

Mr. KENNEDY. Just answer the question.

Mr. ZUSMAN. You want the truth, don't you?

Mr. KENNEDY. Just answer "yes" or "no." Was your car picked up in Reno, Nev.?

Mr. ZUSMAN. My car——

Mr. KENNEDY. Was it or not?

Mr. ZUSMAN. I have an automobile, a 4-door, 90, Holiday.

Mr. KENNEDY. Would you just answer the question and describe your car?

Mr. ZUSMAN. The car was picked up in Reno, Nev.

Mr. KENNEDY. Was it picked up with some stolen material in it?

Mr. ZUSMAN. With what?

Mr. KENNEDY. Some stolen goods in it.

Mr. ZUSMAN. That is something that I can't answer for one reason. When I was there I didn't see the stolen goods and I went down to get my car.

Mr. KENNEDY. How did your car get into Reno, Nev., with two thieves and stolen goods in the car?

Mr. ZUSMAN. With two what?

Mr. KENNEDY. Can you answer the question?

Mr. ZUSMAN. Yes.

Mr. KENNEDY. We will break it down in parts. Your car was picked up in Reno, Nev.?

Mr. ZUSMAN. Yes, sir.

Mr. KENNEDY. How did it get to Reno, Nev.?

Mr. ZUSMAN. Just a minute.

(The witness consulted with his counsel.)

Mr. KENNEDY. Does your attorney know the answer to that? Just give the truth.

Mr. ZUSMAN. I want to tell him what it is and then I will tell you the truth, if you don't mind.

Mr. KENNEDY. Why do you have to tell him first? Just tell us.

Mr. ZUSMAN. I am telling you, and you will hear it.

Mr. KENNEDY. All right, tell us.

Mr. ZUSMAN. I want to ask him first. That is what I am paying my attorney for.

The CHAIRMAN. You are paying him, and you can ask him.

(The witness consulted with his counsel.)

Mr. ZUSMAN. Mr. Kennedy, that car was in my name, but I wasn't the real owner of that car and that can be checked with Internal Revenue Department.

Mr. KENNEDY. Why can you go and pick it up?

Mr. ZUSMAN. Because these fellows drove the car down there and the car was in my name.

Mr. KENNEDY. What fellows now?

Mr. ZUSMAN. I am going to explain to you why the car was in my name. In 1955, Mr. Robert Fetonti had a new Cadillac coupe DeVille and he was driving from Bakersfield to Portland. The car was cracked up outside of Bakersfield.

Mr. KENNEDY. And killed a man.

Mr. ZUSMAN. He killed a Mexican, that is right.

Mr. KENNEDY. In La Grande, Oreg.

Mr. ZUSMAN. Now, wait just a minute and I will come to La Grande, too, and just give me a minute. I will give you the whole story and you want it and you are going to get it.

So, GMAC, General Motors Acceptance Corp., had the paper to the Cadillac coupe DeVille, which was totally wrecked. Mr. Fetonti was a very big man, a big hero during World War II and I felt sorry for him. So I got my car and the car was in my name but I was not making the payments on it.

Mr. KENNEDY. Was it because he could not register the car in his own name?

Mr. ZUSMAN. No, because GMAC had this—

Mr. KENNEDY. Now, wait a minute. Will you answer that question under oath, that he could register a car in his own name?

Mr. ZUSMAN. That he could register a car under his own name?

Mr. KENNEDY. Could he? Legally, did he have the legal right to register a car in his own name after he killed this man in La Grande, Oreg.?

Mr. ZUSMAN. He didn't kill a man in La Grande, Oreg.

Mr. KENNEDY. After he killed this man?

Mr. ZUSMAN. This man was going down, going south on the highway and Mr. Fetonti was right and the Mexican didn't have anything, and while Mr. Fetonti was down there the insurance man canceled his insurance.

He did not know this insurance was canceled out. So he laid in this hospital and he lost his eye and he was all cracked up and when he came back to Portland, I got him a car, which he put in my name and he made the payments on it.

Mr. KENNEDY. A Cadillac?

Mr. ZUSMAN. That was an Oldsmobile, sir.

Mr. KENNEDY. An Oldsmobile?

Mr. ZUSMAN. Yes, sir; and I will come to the Cadillac.

Mr. KENNEDY. On the Oldsmobile, wasn't he forbidden because of this crackup, wasn't he forbidden to have a car?

Mr. ZUSMAN. No; the only reason that was in my name was General Motors could not take the car away from him or attach it for the money he was supposed to owe them.

Mr. KENNEDY. Actually, the car was his, but you put it in your name?

Mr. ZUSMAN. That is right.

Mr. KENNEDY. In order to trick General Motors?

Mr. ZUSMAN. Not to trick General Motors; there is a suit right now on that.

Mr. KENNEDY. I thought you said General Motors did not want him to register the car in his own name.

Mr. ZUSMAN. I didn't say that.

Mr. KENNEDY. Why didn't he register it in his own name?

Mr. ZUSMAN. Because if he did, General Motors could come and attach it.

Mr. KENNEDY. So you registered it in your name, even though it was his car; is that right?

Mr. ZUSMAN. That is right.

Mr. KENNEDY. So Mr. Fetonti went to Chicago and bought a Cadillac? I thought he didn't have any money.

Mr. ZUSMAN. He has made money since then. I am coming to that if you will give me a chance to explain it to you.

Mr. KENNEDY. What is his business?

Mr. ZUSMAN. Mr. Fetonti's business, I think he pays money to the Government as a professional gambler.

Mr. KENNEDY. I think that is correct. He is a gambler.

Mr. ZUSMAN. I think he is registered with the Government that way, too; I don't know. He went to Chicago and then how come the Internal Revenue knows that the Cadillac is not mine either is because—

Mr. KENNEDY. Is that registered in your name?

Mr. ZUSMAN. That is registered in my name, too.

Mr. KENNEDY. You have both of these cars?

Mr. ZUSMAN. No; the Oldsmobile was traded in on the Cadillac.

Mr. KENNEDY. And still registered in your name?

Mr. ZUSMAN. Still registered in my name, which is going to get out of my name when I get home. I will explain why it was going to go out of my name when I get home, too.

Mr. Fetonti got into some trouble in La Grande.

Mr. KENNEDY. What trouble did he get into?

Mr. ZUSMAN. He got stopped.

Mr. KENNEDY. For what?

Mr. ZUSMAN. For having dice in the car or something, and I don't know, I wasn't there. They had a big picture and a big writeup in the La Grande paper.

Mr. KENNEDY. And he had 1,000 pairs of dice?

Mr. ZUSMAN. I never counted them but it must have been that.

Mr. KENNEDY. And a lot of crooked gambling equipment?

Mr. ZUSMAN. They had pictures of it.

Mr. KENNEDY. And with your car?

Mr. ZUSMAN. Not my car, his car, only in my name.

Mr. KENNEDY. This was not the Oldsmobile?

Mr. ZUSMAN. This was the Cadillac.

Mr. KENNEDY. This was not the Oldsmobile because he did not have the money to buy the Oldsmobile?

Mr. ZUSMAN. When he got the Oldsmobile, he was around working, and he made money. He was making the payments on the car. I did not make the payments on the car.

Mr. KENNEDY. Then you got the Cadillac for him?

Mr. ZUSMAN. I did not buy the Cadillac for him. He bought the Cadillac himself.

Mr. KENNEDY. It was registered in your name?

Mr. ZUSMAN. It was registered in my name.

Mr. KENNEDY. Then he was picked up in LaGrande, after killing a man—

Mr. ZUSMAN. He didn't kill a man in LaGrande.

Mr. KENNEDY. He killed a man earlier?

Mr. ZUSMAN. The guy ran into him.

Mr. KENNEDY. The Mexican?

Mr. ZUSMAN. The Mexican.

Mr. KENNEDY. Was he killed?

Mr. ZUSMAN. Killed? They should have killed him twice.

Mr. KENNEDY. Then he was picked up with crooked—

Mr. ZUSMAN. Crooked dice. That is all he knows what to do.

Mr. KENNEDY. You financed him; is that right?

Mr. ZUSMAN. No; I didn't finance him.

Mr. KENNEDY. Not at all?

Mr. ZUSMAN. Not at all. I didn't finance him. He has his own money.

Mr. KENNEDY. What happened in Reno?

Mr. ZUSMAN. I explained what happened in Reno.

Mr. KENNEDY. Was this the same incident?

Mr. ZUSMAN. No. It was an Oldsmobile in Reno and a Cadillac in Chicago. Can't you get your stories straight? My God, man.

Mr. KENNEDY. I appreciate your help.

What happened in Reno with the Oldsmobile? Why was that picked up?

Mr. ZUSMAN. I wasn't there. I don't know.

Mr. KENNEDY. Who was driving that car?

Mr. ZUSMAN. I don't know who was driving. It was parked at that time.

Mr. KENNEDY. It was filled with gambling equipment?

Mr. ZUSMAN. I don't know what was in the car.

Mr. KENNEDY. It was filled with TV sets?

Mr. ZUSMAN. TV sets? I never saw the TV sets in the car.

Mr. KENNEDY. There was a lot of stolen material in the car.

Mr. ZUSMAN. There was supposed to be a TV set stolen. Who took the TV set I don't know.

Mr. KENNEDY. Was the driver of the car accused of that?

Mr. ZUSMAN. I don't know who took it.

Mr. KENNEDY. It is your car.

Mr. ZUSMAN. It isn't my car. It is registered to me. He makes the payments. If you will check the payments, you will find a payment was sent from Reno to Portland. How could I be in Portland and Reno at the same time?

Mr. KENNEDY. Unless you have somebody working for you.

Mr. ZUSMAN. I didn't have somebody working for me.

Mr. KENNEDY. Have you ever been arrested?

Mr. ZUSMAN. I was arrested in 1930 for receiving stolen property.

Mr. KENNEDY. Have you had convictions?

Mr. ZUSMAN. Yes; in 1952, before whisky came over the bar in the city of Portland.

Mr. KENNEDY. But you have not been convicted of gambling in your place?

Mr. ZUSMAN. I haven't been arrested for gambling or anything like that.

Mr. KENNEDY. You admitted yesterday you were operating a gambling room.

Mr. ZUSMAN. I didn't say that. I said we were playing gin rummy.

Mr. KENNEDY. You said it was against the law.

Mr. ZUSMAN. It is O. K. until I get caught. If I get caught, I have to pay for it. So I quit it.

Mr. KENNEDY. Do you know Bob Van Bable?

Mr. ZUSMAN. Yes; I know Bob Van Bable.

Mr. KENNEDY. Where is he now?

Mr. ZUSMAN. Atlanta, Ga.

Mr. KENNEDY. Is he working down there?

Mr. ZUSMAN. Working for the Government.

Mr. KENNEDY. What is he doing?

Mr. ZUSMAN. What is he doing?

Mr. KENNEDY. What is he doing?

Mr. ZUSMAN. I guess he is on the road gang. I don't know.

Mr. KENNEDY. Is he in prison down there?

Mr. ZUSMAN. Yes.

Mr. KENNEDY. What was he sent to prison for?

Mr. ZUSMAN. Vice, as far as I know.

Mr. KENNEDY. For being a pimp, was he?

Mr. ZUSMAN. Well, you can call him a pimp, if he could be a pimp.

Mr. KENNEDY. Did you put up the money for his bail?

Mr. ZUSMAN. Now, I will explain that to you.

Mr. KENNEDY. I just think this is a splendid opportunity for you—

Mr. ZUSMAN. I want to let it all out. It is a pleasure to get it off my chest, believe me it is. I want to get it off my chest. When I first got the Desert Room, in 1951, these people started coming in. I barred Mr. Bob Van Bable out of the Desert Room for his dirty talk and for what he was doing. You can check that in Portland, too.

Then he got to be a pretty nice guy; I got acquainted with him. As far as business was concerned, I wasn't interested in his business; didn't have anything to do with his business. He used to come in and spend his money; fine.

When he got in this trouble and needed help—I knew the guy wouldn't run away—I put up the Desert Room and a fourplex I had in Portland for his bond. That is why, Mr. Kennedy, last Friday they made a statement about me helping people I don't even know.

Mr. Kennedy, you don't know me, but I am known as the Mark on Stark.

MR. KENNEDY. A who?

MR. ZUSMAN. A mark. A sucker. Because I will help anybody out. That is my trouble. That is why I am here now, for trying to be decent, for trying to do what is right.

MR. KENNEDY. So you put up the bonds for Mr. Van Bable?

MR. ZUSMAN. I did, sir; yes.

MR. KENNEDY. Do you help out good people, too?

MR. ZUSMAN. Do I help out good people? A lot of them. I feed lots of good people and they don't pay me, either. That is why I don't see them anymore. They owe me money. That is why I don't see them anymore. That is why I haven't got any money. That is why I am in the shape I am in. If people would pay me what they owe me, I would have a lot of money.

The CHAIRMAN. Are there any questions?

Senator McNAMARA. Mr. Chairman, I have a question.

The CHAIRMAN. Senator McNamara.

Senator McNAMARA. I would like to ask the witness to straighten out some of his testimony.

You said that Portland is a clean town.

MR. ZUSMAN. Portland is a very clean town right today. They don't come any better. It is the best town in the United States.

Senator McNAMARA. In the same breath you say that the police chief—

MR. ZUSMAN. I didn't say the police chief. I said the lieutenant.

Senator McNAMARA. The head of the vice squad; excuse me.

MR. ZUSMAN. I said Lt. Carl Crisp.

Senator McNAMARA. That is who you were indicating?

MR. ZUSMAN. Lt. Carl Crisp, of the vice squad; that is right. He was head of the vice squad at that time. I don't know. I think he is out in the southwest section. Our new mayor got rid of him pretty good.

Senator McNAMARA. Was he the chief of the vice squad?

MR. ZUSMAN. No; he was the head of the vice squad, not the chief.

Senator McNAMARA. All right, the head of the vice squad. You say he is taking orders from a Mr. Elkins?

MR. ZUSMAN. I think he is; yes. I am not afraid to say it.

Senator McNAMARA. You think he is?

MR. ZUSMAN. That is what I say. If everything goes by hearsay, you might as well hearsay that, too. The reason I said that, sir—

Senator McNAMARA. Wait a minute. Let us take it easy to start with.

MR. ZUSMAN. I am sorry.

Senator McNAMARA. You are protesting that other people are giving a lot of hearsay evidence against you, and when you say you think he is, do you consider this hearsay evidence?

Mr. ZUSMAN. Well, I want to give you the proof of that, sir. I want to give you the proof of that hearsay. That is this: When he had one of my employees picked up by his men, and I am talking about Lt. Carl Crisp having one of my employees picked up by his men, which are the vice squad, taken up to the gymnasium, what they call the gymnasium, where they work out, above the garage, and beat the man up, that I know was under the orders of nobody else but Mr. Jim Elkins.

Senator McNAMARA. You are not thinking, but you know. You are making a positive statement?

Mr. ZUSMAN. Yes. Otherwise, Mr. Crisp would not do it.

Senator McNAMARA. When you make a charge like this against an official of the police department, are you indirectly making a charge against the mayor? Is he not responsible for the officers of the police department?

Mr. ZUSMAN. Well, I can't say that, because Carl Crisp will act on his own.

Senator McNAMARA. Do not your statements say it, whether you substantiate it or not?

Mr. ZUSMAN. Senator, I don't know your name, but I want to tell you a story about Mr. Carl Crisp. You brought it up, and I want to tell you. I started telling Mr. Kennedy about another arrest I had. I would like to clear that up, too, while we are on the same subject.

Senator McNAMARA. Unless the chairman has objection, it is all right.

Mr. ZUSMAN. Is that all right, Senator McClellan? Could I explain that?

The CHAIRMAN. Will it interrupt your chain of thought?

Senator McNAMARA. It will not bother me at all.

Mr. ZUSMAN. The Portland night clubs were known as bottle clubs. This was in 1952. Well, if a friend of ours would come in, we would take care of him. That was what every club in town did, take care of them. So five clubs one Saturday night, I think it was on—the arrest came in, I think, October or September. I don't remember the exact date. Anyway, I lost my license on November 12, or November 13, 1952.

Mr. Kennedy, would you like to hear this, please?

Mr. KENNEDY. Yes. I am listening.

Mr. ZUSMAN. Thank you.

The CHAIRMAN. Go ahead.

Mr. ZUSMAN. There were five clubs that lost their license. Four of those clubs received their license back in 90 days. The Desert Room was the only club that never had a suspension or was closed or a warning of any kind prior to this time. The reason I was closed so long was people were putting pressure on trying to get that club from me. Mr. Carl Crisp called me up one day and wanted to see me. I met him in the club. He offered me \$10,000 for my club.

I said, "No, I want \$18,500 for my club." And I kept insisting that is how much I wanted, so he said, "O. K., I won't get it this way, but I will hurt you otherwise."

That is where all my accusations, all my trouble, and everything else is coming from.

The CHAIRMAN. Which proves you have a lot of racketeering out there?

Mr. ZUSMAN. I don't have racketeering in my club.

The CHAIRMAN. Did you not regard that as racketeering, trying to force you to give up your club? Did you not regard that as a form of racketeering, all that pressure?

Mr. ZUSMAN. I didn't know that. A lot of nice people tried to get it from me. A lot of nice people tried to buy it from me, Mr. Kennedy.

The CHAIRMAN. All right.

Mr. ZUSMAN. That is why Mr. Carl Crisp has—used to walk around my club and stick his ear against the wall and see if anybody was in there. That is where Mr. Kennedy gets the after hours business. I never sold a drink after hours to anybody.

Mr. KENNEDY. Like Brad Williams?

Mr. ZUSMAN. That is fine. Senator, that is where Carl Crisp comes in.

Senator McNAMARA. Let us take it easy, again.

Mr. ZUSMAN. All right.

Senator McNAMARA. Certainly you insinuate that the police department is corrupt because it is taking orders from a Mr. Elkins. That is your intention.

Mr. ZUSMAN. At that time, sir.

Senator McNAMARA. Then how do you claim Portland is a clean city?

Mr. ZUSMAN. We have a new mayor now. We have a new mayor, sir.

Senator McNAMARA. I do not hear you.

Mr. ZUSMAN. We have a new mayor.

Senator McNAMARA. Then Portland is now a clean town, and it was not a clean town previously?

Mr. ZUSMAN. To me it was clean. Nobody bothered me. The only bother I got was from Carl Crisp.

Senator McNAMARA. Is the same man in charge of the vice squad?

Mr. ZUSMAN. That is Carl Crisp. No, he was a roamer. No matter what he did, he worked 24 hours a day to try to get something on me. He never could find anything wrong.

Senator McNAMARA. Why was he picking on you?

Mr. ZUSMAN. Because I was the only man that had a club that wasn't scared of him. I told him the truth, that I wasn't scared of him.

Senator McNAMARA. Why should you be scared of him?

Mr. ZUSMAN. I wasn't scared of him. I told him.

Senator McNAMARA. It hardly makes sense.

Mr. ZUSMAN. Other people, he would go in and boss around, and kick around, and me he couldn't kick around.

Senator McNAMARA. Now will you answer my question?

Mr. ZUSMAN. Yes, sir.

Senator McNAMARA. You say that under the previous administration there was some kicking around by the police department. Does it continue now by the same people under the new administration?

Mr. ZUSMAN. No.

Senator McNAMARA. You find a difference now; is that it?

Mr. ZUSMAN. Yes. It is real nice. It is a pleasure. Believe me, it is a pleasure. I don't see 2 to 6 vice-squad men every day. They come in and check.

Sir, I have an open door. They come in and check my place. They walk in. Maybe a couple of uniform policemen will come in, fellows on the beat, will come in and check my place, and walk out, and maybe a prowler would come by. It is really nice now, believe me.

Senator McNAMARA. Then your testimony is that under the previous administration, the police department was kicking you around, and under this administration they are not; is that right?

Mr. ZUSMAN. That is right, sir.

The CHAIRMAN. Senator Mundt?

Senator MUNDT. Mr. Zusman, when you first applied for a liquor license, did you apply for it in conjunction with a man by the name of Kay?

Mr. ZUSMAN. Yes, sir. I can tell you that story, too.

Senator MUNDT. All right, go right ahead. Who is Mr. Kay? Tell me that.

Mr. ZUSMAN. I will tell you all about it. His name is Frank Kay.

Senator MUNDT. Who was he?

Mr. ZUSMAN. He was a pimp.

Now I will tell you the whole story about that. In 1950, November—Mr. Kennedy, I wouldn't leave. This is a good story. You might get an education here.

Mr. KENNEDY. I am just going to get a glass of water.

Mr. ZUSMAN. I am not trying to be smart, but that is what I have been through all my life, trying to be good to people.

The CHAIRMAN. You are being pretty good. Go ahead.

Mr. ZUSMAN. I have been, believe me. I wish I had my money back.

In November 1950, Mr. Frank Kay came to me and wanted to borrow \$1,500. So I lent Mr. Kay the \$1,500. We used to go up to Models Supper Club practically every Sunday and Tuesday. My wife and I used to go up there. There is a new show on Tuesdays, and we used to go up there on Sundays and Tuesdays. In fact, I am still married to the same girl.

So, the last Tuesday in November, I don't remember exactly, but I know it was on a Tuesday, the last Tuesday in November, Mr. Kay was up there, too. In fact, we had all gone out to dinner. I was in the grocery business at that time, sir. So Mr. Kay says to me, "Look, Nate, why don't you put up \$2,500 more, which will be \$4,000; I will put in \$4,000, and we will open up the Desert Room and you can be a partner."

I said, "Well, I am in the grocery business. I can't leave the store." He said, "Well, all you have to do is come down, check the books, take care of the money, and everything will be all right."

So I went and put my car in hock, and I got the \$2,500. I gave him \$1,500, which I lent him, and then I got the \$2,500. So then Mr. Kay was a former partner in what at that time was the Club Mecca. That is where all this comes about, about the prostitution. I have tried to live it down for 6 years, the prostitution, the heavy men, gunmen, whatever you want. I don't know no gunmen. I don't know no heavy men.

So everything was taken care of. He said, "The license will be there, and we can open up right away." We paid the United States Government \$1,000. In fact, I didn't, Mr. Kay did; paid the United States Government \$1,000. We paid the United States Government \$1,000. I didn't, Mr. Kay did. And we had to give a Lonnie Lostin, who held a mortgage on the Desert Room, the Club Mecca at that time, \$5,000, which left a balance of \$5,235 still owing Mr. Lonnie Lostin. So they started cleaning up the Desert Room. It was the Mecca at that time.

We were supposed to open. Christmas came around and we didn't open. New Year's came around and we didn't open. Before I knew it, I had \$18,000 in the Mecca, and no license. On March 8, I believe, we were granted a license. On March 8 we were granted a license.

Senator MUNDT. You and Kay?

Mr. ZUSMAN. Yes, Mr. Kay and I; that is right.

That was in the afternoon. But on March 8, I believe that is the right date—I don't know if that is the right date or not—but that same day there was a new man hired on the Portland Liquor Commission, a Tom Sheridan. Mr. Sheridan checked on Mr. Kay. They already knew my record, because, after all, I lived in Portland so long. Mr. Kay came from Los Angeles. They checked on Mr. Kay and he had a very large record, which I did not know anything about, gentlemen. I did not know anything about that record. That was proven.

So I was told to go ahead, pay Mr. Kay off, \$4,300, and I could get a license. So I went and got a—I talked to Mr. Kay, and Mr. Kay said, "I want my money by tomorrow morning at 10 o'clock." After I had given him all of my money to use, and fix the place up, and pay expenses, he gives me until 10 o'clock in the morning in order to pay him off. I paid Mr. Kay the \$4,300 at 10 o'clock the next morning.

Then the city of Portland declares a moratorium on licenses for 90 days.

Senator MUNDT. How did you arrange that \$4,300?

Mr. ZUSMAN. That was borrowed on my insurance, and my mother-in-law's insurance. You can check with the First Avenue Bank, the Union Avenue branch.

Senator MUNDT. Let me ask you: Do you know Helen Smalley?

Mr. ZUSMAN. I know Helen Smalley, and I will tell you how I know Helen Smalley. I didn't know who she was at first. Her husband, Paul Smalley, used to, years ago, go to the fights. I didn't know who he was. He used to holler "Hello, Nathan" and I would holler "Hello" back to him. I was selling programs at that time at the fight. I don't think the club was open. I think it was just open for food at the time.

Mr. Kay was still a partner, I believe, when Paul Smalley walked in. He said, "Hello, Nate," and I said, "Hello" to him. Then I was introduced to him, that he was Mr. Smalley.

Senator MUNDT. Have you seen Helen Smalley quite frequently in the last 3 or 4 years?

Mr. ZUSMAN. In the last 3 or 4 years?

Senator MUNDT. Yes.

Mr. ZUSMAN. I would say maybe 15, 17, 16 times they would come in the club. They came in when Helen Hardy got married, on Paul

Smalley's birthday, and I think they knew Mike Duke, at the time we had the birthday parties there.

Senator MUNDT. I will go into that later. Do you know Tom Maloney?

Mr. ZUSMAN. Yes; I know Tom Maloney.

Senator MUNDT. How well do you know Tom Maloney?

Mr. ZUSMAN. I don't know him too well. The only thing I know of him is the first time he came into the club, the first time he came in he ordered a 7-Up. I don't think he drank. He always smoked cigars, but I don't know about his drinking. Then he started eating steaks in there. I guess Mr. Maloney could have been there maybe 6, 7, or 8 times; I don't know.

Senator MUNDT. Did you know what business he was in?

Mr. ZUSMAN. No; I didn't, sir.

Senator MUNDT. Do you know Mr. Langley, the district attorney?

Mr. ZUSMAN. Never knew Mr. Langley, never saw Mr. Langley, until I saw him here Thursday, sir.

Senator MUNDT. You never met him before?

Mr. ZUSMAN. Never knew who he was.

Senator MUNDT. Mr. Zusman, I want to ask you 4 or 5 specific questions. In most of your testimony, you have been rather forthright, and in all of your testimony you have been very emphatic. I want you to be just as emphatic as you can and as forthright as possible in answering these questions because if it develops that your testimony now, about the things which I am going to inquire into, conflicts directly with that of Miss Hardy, then I am going to ask the chairman to submit your testimony and Miss Hardy's testimony to the Justice Department to determine whether she has been perjuring herself or whether you have, because I do not know. If your testimony conflicts, as I have been led to believe it is going to, I am going to ask you a few specific questions. Listen to them carefully and give me forthright answers.

Mr. ZUSMAN. May I consult my attorney when I answer them, sir?

Senator MUNDT. You certainly may.

Mr. ZUSMAN. Thank you.

Senator MUNDT. Did you ever discuss with Helen Smalley, or with Helen Hardy, any phases or aspects of prostitution?

Mr. ZUSMAN. No, sir.

(The witness conferred with his counsel.)

Senator MUNDT. Did you ever discuss with Helen Smalley or Helen Hardy anything about a call house?

Mr. ZUSMAN. No, sir.

Senator MUNDT. Let me read you the sworn testimony, Mr. Zusman.

Mr. ZUSMAN. I have heard it, sir.

Senator MUNDT. Let me read it to you, because perjury is a pretty serious offense.

Mr. ZUSMAN. That is right.

Senator MUNDT. You are not looking for trouble.

Mr. ZUSMAN. I am not looking for trouble. I want the truth.

Senator MUNDT. I simply want to get a forthright answer, because if it develops that there is a direct conflict, then I certainly am going to ask the chairman to submit this testimony to the Department of Justice to determine who is perjuring, just as we did the other day with two other witnesses who had been in direct conflict.

The direct testimony of Helen Hardy is "He" meaning you—

asked Helen Smalley and me if we would be interested in opening up a call house.

Mr. ZUSMAN. I did not say that, sir.

Senator MUNDT. You did not say that?

Mr. ZUSMAN. I did not say that, sir.

(At this point, Senator Ervin withdrew from the hearing room.)

Senator MUNDT. Let me ask you 1 or 2 other questions, some of which have been asked before but I want to get this into the record after we discussed perjury with you.

Mr. ZUSMAN. May I speak to my attorney, please?

Senator MUNDT. Yes, you may.

(The witness conferred with his counsel.)

Mr. ZUSMAN. Senator, would you repeat the first question, please?

Senator MUNDT. Do you mean the last question?

Mr. ZUSMAN. The first one you asked me.

Senator MUNDT. Let me see now, which was the first one? I think the first one was whether or not you had ever discussed with either Helen Smalley or Helen Hardy anything in connection with prostitution.

(The witness conferred with his counsel.)

Senator MUNDT. You said no.

Mr. ZUSMAN. I am still sticking to that, sir. I am still sticking to that. But I want to clarify that.

Senator MUNDT. It does not need further clarification. This is going to be clarified by the Justice Department.

Mr. ZUSMAN. That is all right, then. That is fine.

Senator MUNDT. If you say yes and she says no, the Justice Department has ways of clarifying it. If you want to change your answer—

Mr. ZUSMAN. No, I don't want to change my answer, sir.

Senator MUNDT. You said you heard Helen Hardy's testimony.

Mr. ZUSMAN. Yes, I did.

Senator MUNDT. She testified that she and Helen Smalley opened a call house at 2441 Northwest Pettigrove Street. You heard that?

Mr. ZUSMAN. I heard that, sir.

Senator MUNDT. Very well. She testified that you and Mr. Maloney visited that house. Is that true or false?

Mr. ZUSMAN. I told you I was up there, I drove my car up and asked Mr. Maloney if he wanted to take a ride when I was delivering sandwiches up there. It is true, sir.

Senator MUNDT. You did visit the house?

Mr. ZUSMAN. That is right.

Senator MUNDT. She said while you were there, Mr. Maloney said that Mr. Langley was not going to have any objections to the operation of a call house at that place. Did you hear Mr. Maloney say that?

Mr. ZUSMAN. I did not, sir. I didn't hear anything about that.

Senator MUNDT. You were in the house, however, with Mr. Maloney?

Mr. ZUSMAN. Yes, sir. I went to the kitchen and dropped the sandwiches off. What they said in the other room, I don't know. As I said before, I wasn't there when they were talking.

Senator MUNDT. You just visited the kitchen?

Mr. ZUSMAN. I walked in. I took the sandwiches to the kitchen and that is it. I didn't see no girls.

Senator MUNDT. How did Mr. Maloney happen to be accompanying you?

Mr. ZUSMAN. I asked him if he wanted to take a ride with me.

Senator MUNDT. Where did you find him?

Mr. ZUSMAN. He was in the club. I told you he came in there maybe 6, 7, 8, 9 times. I don't know how many.

Senator MUNDT. So you just selected Mr. Maloney out of all of your customers and said, "Tom, do you want to take a ride to the call house?"

Mr. ZUSMAN. I didn't say "Tom." I said, "Mr. Maloney."

Senator MUNDT. Did he know where you were going?

Mr. ZUSMAN. I didn't know whether he did or not. I asked him if he wanted to take a ride with me while I delivered sandwiches.

Senator MUNDT. He had been there before, had he not?

Mr. ZUSMAN. I don't know, sir.

Senator MUNDT. How long did you stay there?

Mr. ZUSMAN. Maybe 10 or 15 minutes. I don't know.

Senator MUNDT. We are coming to a question now that the Justice Department will have very little trouble with when it comes to determining whether Helen Hardy is guilty of perjury or whether Mr. Zushman is guilty of perjury, because this is pretty specific.

I want to read you a paragraph from her testimony. She said—

We began operations in this house on July 5, 1955. We had two girls living in the house. On the first night of our operation, Mr. Zushman referred two men to us. One of these men paid \$400 and the other \$200. Out of this amount, we gave Mr. Zushman \$120.

Mr. ZUSMAN. That is a lie, definitely a lie.

Senator MUNDT. That is a lie?

Mr. ZUSMAN. That is a lie, sir.

Senator MUNDT. Your testimony is that Helen Hardy is perjuring herself?

Mr. ZUSMAN. That is right. That is a lie. I never took a nickel from her. I never sent her no customers. If I sent her customers, let her produce the customers.

Senator MUNDT. Very good. She said:

During this period, I may have paid Mr. Zushman other amounts of money for referral of customers.

Mr. ZUSMAN. I never sent anybody any place out of my club.

Senator MUNDT. Did you get any money from Helen Hardy?

Mr. ZUSMAN. Never a dime from either one of them.

Senator MUNDT. She said later she noticed a police car in front of the house and called you on the telephone and told you about it.

Mr. ZUSMAN. Yes, she did, because right across the street from us was another place, and if I remember right she asked me if police cars were in front of there, too.

Senator MUNDT. Why would she call you to tell you police cars were watching her operation?

Mr. ZUSMAN. Because, as I said before, that right across from us was another place, and that is why she wanted to know if police cars were just in front of her place or all over. I don't know what she was thinking, I can't speak for her. But that is what I surmise it was.

Senator MUNDT. She testified a little later that she arranged with Mr. Zusman for the use of a private room in the Desert Inn, where she and Mr. Bard Purcell could have their discussion; is that correct?

Mr. ZUSMAN. Just a minute, sir.

(The witness conferred with his counsel.)

Mr. ZUSMAN. Sir, I don't remember that. I don't know whether she ever spoke to Bard Purcell or knew Bard Purcell or not. Bard Purcell used to come in with his wife quite a few times to have dinner, but I don't know whether she ever used that room and talked to him or not. I just don't recall it. It could be and it could not be, but I just don't recall.

Senator MUNDT. Very well. I am simply trying to establish, Mr. Zusman, as you can observe, whether you have been telling the truth or whether she has been telling the truth, because, obviously, both of you have not been telling the truth.

Mr. ZUSMAN. I know I have been telling the truth, because I have nothing to hide from this committee.

Senator MUNDT. Mr. Chairman, we have 3 or 4 direct conflicts of testimony here between these 2 witnesses, and I do not think it necessary to pursue it any further. But I certainly recommend that you submit this whole transcript of testimony to the Justice Department so that they can find out which witness is guilty of perjury.

The CHAIRMAN. Is there any further questioning?

Senator GOLDWATER. Mr. Zusman, I want to clear up a point that is rather hazy in my mind. Regarding Mr. Fetonti, if I recall correctly, you said that he had an accident in Bakersfield?

Mr. ZUSMAN. Yes, sir.

Senator GOLDWATER. He was pretty badly smashed up?

Mr. ZUSMAN. Yes, sir.

Senator GOLDWATER. He lost an eye?

Mr. ZUSMAN. He lost an eye and his whole jaw was slashed and his teeth and everything.

Senator GOLDWATER. He has a good war record?

Mr. ZUSMAN. A very good war record. He has two less medals than Audie Murphy has.

Senator GOLDWATER. You felt sorry for him?

Mr. ZUSMAN. That is right.

Senator GOLDWATER. You brought him to Portland?

Mr. ZUSMAN. No. When he was in the hospital, I sent Mr. Plotkin, at my own expense, down there to see if there was anything I could do for him.

Senator GOLDWATER. Did you pay for Mr. Fetonti's way back?

Mr. ZUSMAN. No. He came up on his own, if I remember right, he came up on his own, and he checked into the New Heathman Hotel, and I paid his room rent at the Heathman Hotel at the time he was staying there.

Senator GOLDWATER. You paid the room rent?

Mr. ZUSMAN. He was down and out and he was hurt.

Senator GOLDWATER. He was down and out?

Mr. ZUSMAN. That is right. And I have done that for everybody in Portland, sir.

Senator GOLDWATER. You bought him a car in your name?

Mr. ZUSMAN. Sir, I didn't buy him a car. He received, I think it was, \$500 or \$700 from the insurance company from California, and that money went as a downpayment on a car to Mortie Motor Co.

Senator GOLDWATER. You put that Oldsmobile in your name?

Mr. ZUSMAN. The first car was a Ford, sir. I bought him a Ford station wagon which was in my name. He decided he didn't want the Ford station wagon. So I got stuck for \$705 on the Ford station wagon.

Senator GOLDWATER. He did not have the \$705?

Mr. ZUSMAN. No. I will tell you how that came about. He wanted to get another car, he wanted an Oldsmobile. He got this money from the insurance company.

Senator GOLDWATER. The \$500?

Mr. ZUSMAN. It was either 5 or 7. I don't remember the exact amount. It was either 5 or 7.

Senator GOLDWATER. When he swapped the Ford in for the Olds—

Mr. ZUSMAN. He didn't swap the Ford in for the Olds.

Senator GOLDWATER. He did not?

Mr. ZUSMAN. No.

Senator GOLDWATER. How did you lose \$700?

Mr. ZUSMAN. I am coming to that. He took the Ford and parked it in front of the place we bought it, which was Demerald Motor Co. I signed the note for it, so Mr. Demerald sued me for the money. I had my bank account attached. In fact, they took it out of my wife's account and my joint account.

Senator GOLDWATER. Mr. Fetonti did not have any money at this time?

Mr. ZUSMAN. Sir, this just happened—well, it happened on December 1. The reason I tell you December 1—

Senator GOLDWATER. What year?

Mr. ZUSMAN. 1956. The reason that happened was that my wife had given Multnomah County a check for \$518 in taxes on our home.

Senator GOLDWATER. When was the accident in Bakersfield?

Mr. ZUSMAN. July 1955.

Senator GOLDWATER. July 1955?

Mr. ZUSMAN. Yes, sir. The hospital in Bakersfield—

Senator GOLDWATER. Let us get back to this point, because I am a little confused on this.

He got rid of the Ford?

Mr. ZUSMAN. He parked the Ford in front of Demerald Ford Co. and he got the Oldsmobile. Mr. Mortie came down, and I signed the papers for him for the Oldsmobile.

Senator GOLDWATER. You were out \$700 on that transaction?

Mr. ZUSMAN. That came later, sir. That came December 1 of 1956, when they sued me for the money. They got the judgment, they went to the bank and tied up my checking account.

Senator GOLDWATER. So you were out, then, \$700?

Mr. ZUSMAN. \$705.

Senator GOLDWATER. \$705 on Mr. Fetonti's accident?

Mr. ZUSMAN. Yes, sir. Not only \$705, but tickets where I sent Mr. Plotkin down there, the money I had given him.

Senator GOLDWATER. How much do you think you were out on the Fetonti deal? \$2,000?

Mr. ZUSMAN. No; not that much.

Senator GOLDWATER. \$1,500?

Mr. ZUSMAN. No.

Senator GOLDWATER. \$1,200?

Mr. ZUSMAN. \$705 and I think the tickets came to \$225.

Senator GOLDWATER. \$1,000?

Mr. ZUSMAN. Right around \$1,000; yes, sir.

Senator GOLDWATER. Now let us go on a little bit further. Mr. Fetonti went to Chicago?

Mr. ZUSMAN. Yes, sir.

Senator GOLDWATER. Did he drive the Olds to Chicago?

Mr. ZUSMAN. He drove the Olds to Chicago.

Senator GOLDWATER. He got the Olds the 1st of December 1956?

Mr. ZUSMAN. No. No. That is when that judgment came up to me, sir. I think he got the Olds—let's see. It could have been January—I will tell you the exact time he got it. I think it was January or February of 1955.

No; just a minute, sir. I want to get it straight. I want to get these years straight. 1956 is the Olds, that is right.

Senator GOLDWATER. He drove that car to Chicago and there he picked up a new Cadillac?

Mr. ZUSMAN. I don't know whether it was new or not. I think it was a demonstrator.

Senator GOLDWATER. But he got a Cadillac?

Mr. ZUSMAN. Yes, sir. He got a Cadillac. Let me tell you what happened in Chicago. He got in a wreck in Chicago, by the way, and I can't drive in the State of Illinois, either.

Senator GOLDWATER. He got in a wreck with the Olds?

Mr. ZUSMAN. Yes, sir, he got in a wreck.

Senator GOLDWATER. He traded the Olds in, what was left of it—

Mr. ZUSMAN. It wasn't that bad a wreck. He banged a guy, and the guy sued him or something. I don't know.

Senator GOLDWATER. He picked up a second-hand Cadillac. Did you finance that?

Mr. ZUSMAN. I didn't finance it, sir.

Senator GOLDWATER. Did you not have to finance it at that time?

Mr. ZUSMAN. I had to sign for it, yes; but I didn't put any money into it.

Senator GOLDWATER. Did he put money into it?

Mr. ZUSMAN. I guess he did, sir.

Senator GOLDWATER. That car was stopped in Reno?

Mr. ZUSMAN. No; that was stopped in LaGrande.

Senator GOLDWATER. What car was stopped in Reno?

Mr. ZUSMAN. The Oldsmobile, in May of 1956.

Senator GOLDWATER. In May of 1956?

Mr. ZUSMAN. Yes, sir.

Senator GOLDWATER. What I am getting at is this: You said in your testimony relative to the merchandise that was found in the car in Reno, that Mr. Fetonti was able to buy that for himself.

Mr. ZUSMAN. I didn't get that question, sir.

Senator GOLDWATER. It was inferred that there was merchandise in the car that was stopped in Reno.

Mr. ZUSMAN. I don't know what there was in the car when it was stopped in Reno, sir.

Senator GOLDWATER. You said in your testimony, I believe, that Mr. Fetonti had financed himself.

Mr. ZUSMAN. He was making a trip. He was making money. He was making money, I guess.

Senator GOLDWATER. You also said in your testimony that Mr. Fetonti was able to finance himself when he started out in Portland.

Mr. ZUSMAN. That is right. He did.

Senator GOLDWATER. Why did he need your help?

Mr. ZUSMAN. What do you mean why did he need my help?

Senator GOLDWATER. Why did you have to be out \$1,000 for a man that was able to go out in the gambling business on his own?

Mr. ZUSMAN. Because I didn't get that judgment against me until December 1, 1956, and he hasn't paid it back to me yet.

Senator GOLDWATER. But he had enough money to start in the gambling business when he got out of the hospital, so he had enough money to finance cars, finance his own expenses, yet you paid his way.

Mr. ZUSMAN. I told you he got the check from the insurance company, from California. It was sent to him.

Senator GOLDWATER. You deny, then, financing him in the gambling business?

Mr. ZUSMAN. Definitely. Absolutely.

Senator GOLDWATER. He had no money, according to your testimony.

Mr. ZUSMAN. I didn't say he had no money.

Senator GOLDWATER. But you said you had to pay the hospital expenses?

Mr. ZUSMAN. I didn't say I paid hospital expenses.

Senator GOLDWATER. You paid hotel expenses?

Mr. ZUSMAN. I think the check was \$42 which I paid to the New Heathman Hotel and he paid that back.

Senator GOLDWATER. You sent a man down to see how badly he was injured?

Mr. ZUSMAN. I sent Leo Plotkin back.

Senator GOLDWATER. And you paid Mr. Fetonti's way to Portland?

Mr. ZUSMAN. I didn't say that.

Senator GOLDWATER. You did not say that?

Mr. ZUSMAN. No; I didn't say that. I said I paid Plotkin's way down to Bakersfield and back. Those tickets haven't been paid for yet.

Senator GOLDWATER. Let me ask you one more question. You are under oath. Do you deny that you financed Mr. Fetonti in the gambling business?

Mr. ZUSMAN. May I have a clarification of that question?

Senator GOLDWATER. I will put it the other way. Did you finance Mr. Fetonti in the gambling business after his accident in Bakersfield?

Mr. ZUSMAN. What do you mean?

Senator GOLDWATER. Did you finance him? Did you stake him?

Mr. ZUSMAN. No; I never staked him.

Senator GOLDWATER. You did not stake him?

Mr. ZUSMAN. No; I didn't have to stake him. How much money do you think the man needed?

The CHAIRMAN. Are there any further questions?

The Chair had intended to ask some questions, but I think after having deferred to my colleagues on the committee, they have covered all of the ground. The Chair will, without objection from any

other member of the committee, refer the transcript of this witness and the witness Helen Hardy, and any other testimony that may be developed that will show light on the conflict in their testimony, to the Justice Department.

In the meantime, the Chair is very glad to announce that we accept your offer to take a lie-detector test. We have arranged for it this afternoon, with the Secret Service. A member of the staff will give you further information about it. You can take it this afternoon.

Mr. ZUSMAN. Thank you, sir.

Is she going to take it, too? Is she going to take it, Senator McClellan? Is she going to also take it?

The CHAIRMAN. Just one moment.

Senator MUNDT. I discussed with counsel the fact that this seemed to be a logical place to call Mr. Tom Maloney, because we have him as a third witness to some of these transactions. Mr. Kennedy tells me that Mr. Maloney is ill today and cannot testify.

The CHAIRMAN. We will check any of the other testimony that may be developed that will throw some light on this.

Senator MUNDT. I just wanted to have in the record the reason we are not calling him at this time.

Mr. KENNEDY. Senator Mundt, he has a bad sore throat. I talked to the doctor last night. He is in bed today. I might add that he was asked generally about prostitutes the first day he appeared and he took the fifth amendment on all of those questions.

(The witness conferred with his counsel.)

Mr. ZUSMAN. Senator McClellan—

The CHAIRMAN. Just a moment.

You asked me if Miss Hardy would take a lie detector test. At this time, I do not know. But since you want one, and feel like the taking of one will be beneficial to you—

Mr. ZUSMAN. I want to take one with her, sir.

The CHAIRMAN. I cannot order you to take it. I thought you wanted one. I have been trying to accommodate you.

Mr. ZUSMAN. Senator, I want to take it, providing she does, too. I told you that yesterday. I said I wanted her to have it and me to have it, and I will pay for it.

The CHAIRMAN. Whether she will pay for it or not, and I doubt if this committee can order anyone to take a lie-detector test, I did not want you to say that you offered to take one and we would not provide it for you. We have provided it, and you have your choice. You may take it this afternoon, if you will.

(The witness conferred with his counsel.)

Mr. ZUSMAN. Senator, as I said yesterday, when I came up here, I wanted her to take it with me. That is exactly—I think if you will read back, you will find that out. My first statement—

Mr. KENNEDY. Here is your testimony :

Mr. ZUSMAN. Mr. Kennedy, I would like to have—I am married 16 years, and I run a very clean place there. I demand a lie detector test with her before she leaves Portland, before she leaves Washington, D. C. I want to have a lie detector test. Either I am guilty or I am not guilty.

That is what you stated: "I want a lie detector test."

Mr. ZUSMAN. With her, sir.

Mr. KENNEDY. You do not want a lie detector—

Mr. ZUSMAN. I want her to take it and I should take it at the same time.

Mr. KENNEDY. We made special arrangements——

Mr. ZUSMAN. I want her to have it and me to have it.

The CHAIRMAN. It is unimportant whether you said with her or without her.

(At this point, Senator Ervin entered the hearing room.)

The CHAIRMAN. I cannot order you to take a lie detector test. This committee cannot order you to take it. I cannot order her to do it. She has not volunteered. I do not know whether she will take one or not. But I do not want you to say that you offered to take a lie-detector test, and that you were not accommodated. You can take the test, and if the test proves that you are not lying, and she does not want to take the test, and we will arrange for her to have it——

Mr. ZUSMAN. I will take the test, sir.

The CHAIRMAN. All right. That settles it.

Arrange it for this afternoon.

Senator MUNDT. Mr. Chairman, I think the chairman did announce that he would make the same facilities available to her, and ask her whether or not she wants to take it.

The CHAIRMAN. That is right.

Senator ERVIN. I was just going to say that as far as I am concerned, I do not put any faith in lie detector tests, because it is apparently a psychological thing. If a person is brazen, they would fare pretty well with a lie detector. If they are timid, no matter how truthful they may be, they would rate pretty poor.

I had occasion, when holding court, to make a study of this question, and a lie detector test tells about as many lies as any instruments that have ever been devised. That is my opinion from my study of it.

The CHAIRMAN. The Chair is not defending or supporting the test, the authenticity of it or the veracity of it, or whatever the term may be used for it. But this witness says he wanted one, and the Chair certainly wants to accommodate him on anything that is within our power. I think it would be very well for him to take the test if he desires to do so.

We then can evaluate the results of it, according to our own best judgment, and the Justice Department. Whatever the record is, whatever the report on the test is, that will also be made available to the Justice Department to enable it to further pursue the determination of whether prejury has been committed by either of you.

It is my judgment that one of you has definitely committed perjury.

Mr. ZUSMAN. Senator McClellan, if the test shows that I told the truth, will that be announced publicly?

The CHAIRMAN. The test will be announced publicly; yes, sir. There is no secret. Whatever the test shows will be made a part of this record.

Mr. ZUSMAN. Thank you, sir.

Mr. KENNEDY. Mr. Zusman, Mr. Calabrese, whom you met before, in Portland, has made the arrangements with the Secret Service——

Mr. ZUSMAN. Well, I still don't trust him. I am not going to take it from those guys. That is a cinch. I don't want them even there when I take my test. They have no business being there.

Mr. KENNEDY. All I said was that he had made the arrangements with Secret Service for you to take the test.

Mr. ZUSMAN. I don't want them to be around me. I don't trust them.

Mr. KENNEDY. All I am suggesting is that you contact him, because your appointment is for 1 o'clock. Would you contact Mr. Calabrese and make sure?

Mr. ZUSMAN. My attorney might, but I won't.

The CHAIRMAN. All right. Are there any further questions?

If there are no further questions, you may be excused from the stand.

Call the next witness.

(Present at this point: The chairman and Senators Ervin, McNamara, Mundt, and Goldwater.)

Mr. KENNEDY. Mr. Leo Plotkin.

The CHAIRMAN. Mr. Plotkin, will you be sworn?

You do solemnly swear that the evidence you shall give before this select Senate committee will be the truth, the whole truth, and nothing but the truth, so help you God?

Mr. PLOTKIN. I do.

TESTIMONY OF LEO PLOTKIN

The CHAIRMAN. State your name, your place of residence, and your business or occupation.

Mr. PLOTKIN. Leo Plotkin, 1022 Southwest Stark.

The CHAIRMAN. Just a little louder, Mr. Plotkin.

Mr. PLOTKIN. Portland, Oreg. Seaman.

The CHAIRMAN. What is your business?

Mr. PLOTKIN. I am a seaman.

The CHAIRMAN. A seaman?

Mr. PLOTKIN. Yes, sir.

Mr. McClellan, I would like to make a statement at this time in reference to testimony that I had given——

The CHAIRMAN. Just one moment.

You say you want to what?

Mr. PLOTKIN. I wish to make a statement at this time in reference to my appearing before your committee in executive session.

The CHAIRMAN. You appeared before the Senate Investigating Subcommittee.

Mr. PLOTKIN. Yes, sir; in executive session.

The CHAIRMAN. That was previous to this?

Mr. PLOTKIN. Yes, sir; I think it was around January 18.

The CHAIRMAN. You may make your statement.

Mr. PLOTKIN. At that time, after I finished my testimony, I believe you told me that if I had ever had any threatening word said to me to report it to this committee, which I want to do at this time.

The CHAIRMAN. Any threat of violence or anything on that order.

Mr. PLOTKIN. Yes, sir.

The CHAIRMAN. You may report it now.

Mr. PLOTKIN. After I had given my testimony, I was on my way to the hotel. I was encountered by Mr. William Turner. I believe his name is Turner.

The CHAIRMAN. Who was also a witness?

Mr. PLOTKIN. Yes, sir.

The CHAIRMAN. All right; proceed.

Mr. PLOTKIN. A reporter on the Oregonian.

The CHAIRMAN. One of the witnesses who has testified here, one of the reporters from the Oregonian?

Mr. PLOTKIN. Yes, sir.

The CHAIRMAN. Proceed.

Mr. PLOTKIN. He threatened me with exposure and ridicule because of my testimony before your committee, telling me that I had lied, and that he was going to present to this committee recordings that never before had been presented to you in reference to my lying before you.

The CHAIRMAN. All right. We will give him the opportunity to do so.

Mr. PLOTKIN. Yes, sir; I wish you would.

The CHAIRMAN. Is there anything else?

Mr. PLOTKIN. Yes. At this time I would like to state that at no time had I ever received any money from Mr. Tom Maloney——

The CHAIRMAN. Just a moment. We will ask you questions.

Mr. PLOTKIN. This is something that appeared in——

The CHAIRMAN. All right, go ahead. I imagine all of these questions are going to be asked, but if you want to make a voluntary statement, proceed.

Mr. PLOTKIN. Yes, I do. I have never at any time received any moneys from Tom Maloney in reference to any information that I supposedly had given him and turned over to the district attorney.

And as far as the district attorney is concerned, I have never known him, never spoken to him, and have never seen him, until I arrived in this conference room on Tuesday, last Tuesday. That is the statement I wish to make.

The CHAIRMAN. All right.

Mr. Counsel, you may proceed.

Mr. KENNEDY. You have known Mr. Tom Maloney for quite some period of time?

Mr. PLOTKIN. Yes; many years.

Mr. KENNEDY. About 20 years?

Mr. PLOTKIN. I would say so.

Mr. KENNEDY. You knew him around the racetrack at Seattle?

Mr. PLOTKIN. Yes.

Mr. KENNEDY. And at that time you knew him to have been very close to Mr. Frank Brewster; is that right?

Mr. PLOTKIN. Well, no; not at that time, Mr. Kennedy.

Mr. KENNEDY. When did you learn that he was close to Frank Brewster?

Mr. PLOTKIN. Do you want me to start from the beginning?

Mr. KENNEDY. Well, yes.

Mr. PLOTKIN. The only reference that Tom Maloney has ever made in reference to Mr. Frank Brewster is as the man up at the racetrack. That is the only time he has ever mentioned Frank Brewster.

The CHAIRMAN. May the Chair interrupt?

You, of course, are familiar with the rules of the committee, and you know you are entitled to counsel if you desire?

Mr. PLOTKIN. Yes, sir.

The CHAIRMAN. You waive counsel?

Mr. PLOTKIN. Yes, sir.

(At this point Senator Mundt left the hearing room.)

Mr. KENNEDY. Let's get down to where you came down to Portland, Oreg. You were there in 1954 and 1955?

Mr. PLOTKIN. Yes.

Mr. KENNEDY. You saw Tom Maloney down there?

Mr. PLOTKIN. Yes, sir.

Mr. KENNEDY. Did Tom Maloney at that time state to you that he was very close to a certain teamster official?

Mr. PLOTKIN. No, sir.

Mr. KENNEDY. He did not?

Mr. PLOTKIN. No, sir.

Mr. KENNEDY. Did he say that he knew any of the teamster officials?

Mr. PLOTKIN. He mentioned—like I said before—he mentioned Frank Brewster, and he also mentioned John Sweeney as the man up in Seattle.

Mr. KENNEDY. Did he say that he was close to those people?

Mr. PLOTKIN. No, sir.

Mr. KENNEDY. He never did?

Mr. PLOTKIN. No, sir; not to me.

Mr. KENNEDY. Was he able to get you a job, Mr. Plotkin?

Mr. PLOTKIN. Yes, he was.

Mr. KENNEDY. You were working in the Desert Room for a while, were you?

Mr. PLOTKIN. Yes. I went to work in the Desert Room on November 11, 1955; yes, sir. The 11th or 12th.

Mr. KENNEDY. And you saw Tom Maloney there, did you not?

Mr. PLOTKIN. I saw Tom Maloney long before that.

Mr. KENNEDY. But you talked to him there about the need for a job?

Mr. PLOTKIN. Yes, sir.

No, not at that time; no, sir. Mr. Tom Maloney phoned me, and I was quite surprised to hear from him. He asked me to meet him at his hotel. I believe he was staying at the Multnomah Hotel. He asked me if I would not come down and talk to him, which I did.

Mr. KENNEDY. So what did he say to you at that time?

Mr. PLOTKIN. He asked me what I was doing. I told him I was not doing anything at the moment. I asked him how he got hold of me. He told me that he had asked Mr. Elkins about me, and asked what I was doing.

Mr. Elkins evidently told him, "Nothing," that I wasn't doing anything at the time, and where to contact me.

Mr. KENNEDY. Did he speak at that time about opening an after-hours place?

Mr. PLOTKIN. No, sir.

Mr. KENNEDY. Did he say there was one operating where he could get you a job?

Mr. PLOTKIN. He thought perhaps there would be a chance of putting me to work—

Mr. KENNEDY. Did you offer to go to work in that place?

Mr. PLOTKIN. Yes.

Mr. KENNEDY. That was Swede Ferguson's place?

Mr. PLOTKIN. Yes, sir.

Mr. KENNEDY. What was your position there?

Mr. PLOTKIN. Floorman.

MR. KENNEDY. What does a floorman do?

MR. PLOTKIN. I walked around, saw that everything was all right.

MR. KENNEDY. Did you understand that the reason that that place could operate was because of the connection that they had with the district attorney?

MR. PLOTKIN. No, sir.

MR. KENNEDY. You never understood that?

MR. PLOTKIN. No, sir.

MR. KENNEDY. There was never any discussion about the district attorney?

MR. PLOTKIN. Yes; there has been discussions about the district attorney, but nothing in reference to that.

MR. KENNEDY. Did Maloney say that he was connected with the district attorney?

MR. PLOTKIN. Maloney told me that he was active in Mr. Langley's election.

MR. KENNEDY. Did he indicate or was it indicated to you that the reason that this afterhours place could operate was because of the connection with the district attorney?

MR. PLOTKIN. No, sir.

MR. KENNEDY. There was never anything like that?

MR. PLOTKIN. No, sir.

MR. KENNEDY. Mr. Chairman, I have permission to read Mr. Plotkin's testimony from page 95?

The CHAIRMAN. You may read it to refresh his memory and to interrogate him about it, if it is in conflict with what he is saying today.

MR. KENNEDY. I would like to say also about Mr. Plotkin that Mr. Bellino and I interviewed Mr. Plotkin in Seattle, Wash. After he arrived down here in Washington the first time, Mr. Calabrese interviewed him, and he told Mr. Calabrese different things than he told Mr. Bellino and myself.

When he appeared here in executive session, he told different things than he had told either on the trip to Seattle or to Mr. Calabrese, and now he is changing his testimony a fourth time.

The CHAIRMAN. All right. Let's show the fourth change. Then we can produce the other testimony.

MR. KENNEDY (reading):

Did he also say that this afterhours joint could operate because of his connection with the district attorney?

MR. PLOTKIN. I never asked him that question.

MR. KENNEDY. Did he ever volunteer that? Did you ever understand that to be the truth?

MR. PLOTKIN. I understood it to be in that manner, but he never told me that.

MR. PLOTKIN. I made that statement in front of this committee?

MR. KENNEDY. Yes.

The CHAIRMAN. No. You made that statement when you testified before the Senate Investigating Subcommittee under oath. We are not talking about what you may have told Mr. Kennedy or some other member of the staff.

This is the testimony that you gave before the other committee about the 16th or 17th of January, of this year. Do you want to change that testimony?

MR. PLOTKIN. May I hear that again, Senator?

The CHAIRMAN. I beg your pardon?

Mr. KENNEDY (reading):

Did he also say that this afterhours joint could operate because of his connection with the district attorney?

Mr. PLOTKIN. I never asked him that question.

Mr. KENNEDY. Did he ever volunteer that? Did you understand that to be the truth?

Mr. PLOTKIN. I understood it to be in that manner, but he never told me that.

Mr. PLOTKIN. That is true.

Mr. KENNEDY. Did you understand that it was because of the connection that Mr. Maloney had with the district attorney that they allowed these joints to operate?

Mr. PLOTKIN. Mr. Maloney never stated to me—

Mr. KENNEDY. I didn't ask you that. Did you ever understand that to be the truth, that he could operate these places?

Mr. PLOTKIN. Not under the district attorney; no.

Mr. KENNEDY. Then this other testimony that you gave was not correct; is that right?

Mr. PLOTKIN. Well, there is a little difference in what testimony I gave there and the question you are asking me. There was no direct mention, no, at no time.

Mr. KENNEDY. I didn't ask that. Did you understand that this afterhours joint could operate because of Maloney's connection with the district attorney?

Mr. PLOTKIN. I don't believe so.

Mr. KENNEDY. You answered "Yes" there.

I understood it to be in that manner, but he never told me that.

Mr. PLOTKIN. Well, he didn't. That perhaps might have been my opinion at the time, Mr. Kennedy.

Mr. KENNEDY. Well, was that your opinion?

Mr. PLOTKIN. Yes.

The CHAIRMAN. Mr. Plotkin, you do not have counsel present?

Mr. PLOTKIN. No, sir; I do not.

The CHAIRMAN. Where a witness has counsel, the Chair relies very heavily upon their own choice for their advice and counsel. They hire counsel for that purpose.

When witnesses appear before the committee without counsel, I think it is the duty of the Chair to admonish them with respect to their testimony, that perjury charges can be preferred, if the witness testifies falsely.

This committee has adopted the policy that wherever there is conflict in testimony, where it is perfectly apparent on the face of it that somebody is not telling the truth, then the transcript is going to be referred to the Justice Department for appropriate action.

I do not want to do anything here that will in any way deprive you of your rights or trick you in any way. I want whatever answers you give to be your own answers, understanding the question. The counsel is referring to the transcript of your previous testimony before a Senate committee.

As he refers to that transcript, I suggest that you recall that your answers were under oath previously, and think of what you want to say today. If you didn't tell exactly what it was before the other committee and want to tell the truth today, do so. Bear in mind that you have been asked these questions that he is referring to

before another committee, having jurisdiction, in my opinion, and, therefore, your answers should substantially, at least, conform to your other testimony if you were telling the truth at that time.

Mr. PLOTKIN. At that time, it was my opinion. I have never heard, or no direct statement has ever been given me, that we were operating under the jurisdiction—

The CHAIRMAN. All the Chair wants is for you to understand whatever answers you gave before, and to give you the opportunity to either say those are correct and true or state whatever you now say is true.

Mr. KENNEDY. Mr. Plotkin, while you were in Portland, were you also interested in finding a house to open up for a house of prostitution? Did you go look over some places?

Mr. PLOTKIN. No, sir.

Mr. KENNEDY. You did not?

Mr. PLOTKIN. No, sir.

Mr. KENNEDY. You never discussed it at all?

Mr. PLOTKIN. No, sir.

Mr. KENNEDY. You never looked over a place to find out whether it would be a proper and possible place for a house of prostitution?

Mr. PLOTKIN. No, sir.

Mr. KENNEDY. Do you know Tony Rego?

Mr. PLOTKIN. Yes, sir.

Mr. KENNEDY. Did you ever discuss that matter with him?

Mr. PLOTKIN. Yes, I have.

Mr. KENNEDY. What discussions did you have with him?

Mr. PLOTKIN. Tony Rego came to me one day and told me that he was going to open up a so-called call house, and he asked me if there was anything that I could do in reference to it.

I told him that I didn't know. He asked me if I wouldn't talk to anyone in reference to it. I said, "Why don't you go out and find out for yourself? That is out of my line." He said, "Well, I just thought I would come to you and ask you if you could do anything." So I said, "Well, perhaps I will talk to someone in reference to it," which I did.

Mr. KENNEDY. Who did you talk to?

Mr. PLOTKIN. I talked to Tom Maloney.

Mr. KENNEDY. Why would you pick out Tom Maloney to talk to about it?

Mr. PLOTKIN. Well, Tom Maloney, I thought, was my friend, and was a man about town, and had a little influence.

Mr. KENNEDY. Who did he have influence with?

Mr. PLOTKIN. Two people, I believe.

Mr. KENNEDY. Who was that?

Mr. PLOTKIN. One was Jim Elkins, and the other was the district attorney.

Mr. KENNEDY. How did you understand that he had influence with the district attorney?

Mr. PLOTKIN. Well, through his efforts in electing the district attorney.

Mr. KENNEDY. So he had influence; you understood that he had influence with him?

Mr. PLOTKIN. I thought perhaps so.

Mr. KENNEDY. Did you go and talk to him about Tony Rego?

Mr. PLOTKIN. Yes; I did.

Mr. KENNEDY. What did he say?

Mr. PLOTKIN. He came back and told me that it was impossible.

Mr. KENNEDY. What did he say he would do first?

Mr. PLOTKIN. I beg your pardon?

Mr. KENNEDY. What did he say he would do first?

Mr. PLOTKIN. What he would do first?

Mr. KENNEDY. Yes. What did he say when you asked him about it?

Mr. PLOTKIN. That he would go see Jim Elkins about it.

Mr. KENNEDY. He didn't say he was going to talk to Lieutenant Crisp?

Mr. PLOTKIN. No, not on that situation, sir.

Mr. KENNEDY. When he came back, what did he say to you?

Mr. PLOTKIN. He came back and told me that they almost got thrown out of the office.

Mr. KENNEDY. Jim Elkins didn't want anything to do with it?

Mr. PLOTKIN. That is right.

Mr. KENNEDY. Was there another discussion that you had with Maloney about houses of prostitution?

Mr. PLOTKIN. Yes; one other.

Mr. KENNEDY. What was that?

Mr. PLOTKIN. In reference to Marie Maynard.

Mr. KENNEDY. What did you do about that?

Mr. PLOTKIN. Well, she told me she was having trouble with the law-enforcement agency, and telling me that they were putting cars out in front of her place, and if something could be done about it.

Mr. KENNEDY. So what did you do?

Mr. PLOTKIN. I went to Tom Maloney.

Mr. KENNEDY. Why did you go to Tom Maloney then?

Mr. PLOTKIN. Well, Tom Maloney told me that—well, for practically the same reason that I went to him in the first place.

Mr. KENNEDY. That he had influence?

Mr. PLOTKIN. Yes, sir.

Mr. KENNEDY. What did he finally report back to you? What did he say he would do?

Mr. PLOTKIN. He would go to Lt. Carl Crisp, who was head of the vice squad at the time, and find out just exactly what was wrong.

Mr. KENNEDY. What did he report back then?

Mr. PLOTKIN. He reported back to me that Lieutenant Crisp said that she would probably have to close down for a time, but could re-open shortly.

Mr. KENNEDY. So did you report that back?

Mr. PLOTKIN. I beg your pardon?

Mr. KENNEDY. Did you report that back?

Mr. PLOTKIN. Did I report that back? To whom, sir?

Mr. KENNEDY. To Marie Maynard.

Mr. PLOTKIN. No. I have never spoken to Marie Maynard in reference to that.

Mr. KENNEDY. Did you ever go look at a house yourself and find out if it had the proper furnishings?

Mr. PLOTKIN. No, sir.

Mr. KENNEDY. You never did?

Mr. PLOTKIN. No, sir.

Mr. KENNEDY. You never took a trip in somebody else's car to look at a place?

Mr. PLOTKIN. To look at a place?

Mr. KENNEDY. Well, anything like that. Did you?

Mr. PLOTKIN. Well, at one time, Mr. Maloney picked me up at either my hotel or the Desert Room and took me for a ride across the river and pointed out a house of prostitution to me; yes.

Is that what you mean?

Mr. KENNEDY. What was the reason for taking you on that trip?

Mr. PLOTKIN. He was telling me that he was quite upset about all these houses of prostitution mushrooming around the town.

Mr. KENNEDY. He was against that?

Mr. PLOTKIN. Yes. So he told me.

Mr. KENNEDY. Why did you go to him, then, when Rego—

Mr. PLOTKIN. This all happened afterward.

Mr. KENNEDY. What? You went to him about Rego afterward?

Mr. PLOTKIN. No. I went to Rego before this all happened.

Mr. KENNEDY. Why did you go to Maloney if he was against houses of prostitution?

Mr. PLOTKIN. At that time, I knew nothing about it, other than that he had influence in the city.

Mr. KENNEDY. Did he report to you that the district attorney wouldn't mind if there were 3 or 4 or 5 call houses opened in the city, that he didn't want a lot of them mushrooming around the city, but he didn't mind 3 or 4 or 5?

Mr. PLOTKIN. Let me put it this way, Mr. Kennedy. I reported later that the district attorney was not a man who believed in a real closed town, from what I was led to believe.

Mr. KENNEDY. Didn't Tom Maloney report that to you, that the district attorney was not interested in closing a town down, that he didn't mind if there were 3 or 4 houses open?

Mr. PLOTKIN. Well, something to that effect.

Mr. KENNEDY. Wasn't that what you reported to us before?

Mr. PLOTKIN. Yes, I believe so.

Mr. KENNEDY. Wasn't it also reported to you by Tom Maloney that they were anxious to get rid of the chief of police?

Mr. PLOTKIN. Yes.

Mr. KENNEDY. And that the chief of police has been uncooperative as far as these places being open and afterhours places?

Mr. PLOTKIN. I didn't go into that discussion with him, Mr. Kennedy.

Mr. KENNEDY. Didn't he report—let's go through that again, Mr. Plotkin—didn't he report to you that they found the chief of police to be uncooperative?

Mr. PLOTKIN. Yes, he told me.

Mr. KENNEDY. That he was uncooperative about allowing these places to stay open; isn't that correct?

Isn't that how he was uncooperative? Isn't that what you stated to the committee in executive session?

Mr. PLOTKIN. That he was uncooperative?

Mr. KENNEDY. That they found the chief of police uncooperative?

Mr. PLOTKIN. Yes, they did.

Mr. KENNEDY. How did they find him uncooperative?

Mr. PLOTKIN. That I don't know.

Mr. KENNEDY. Didn't you tell the committee in executive session that they found him to be uncooperative and that he wouldn't allow these joints to stay open?

Mr. PLOTKIN. I don't know. Would you read that testimony back?

Mr. KENNEDY. No. What is the truth on it? Tell me what the truth is.

Mr. PLOTKIN. Well, they might have—Tom might have mentioned something like that to me; yes.

Mr. KENNEDY. What? That they wanted to get rid of the chief of police?

Mr. PLOTKIN. Yes.

Mr. KENNEDY. Didn't he say also that the teamsters were anxious to get rid of the chief of police?

Mr. PLOTKIN. No. He never mentioned that.

Mr. KENNEDY. You deny that?

Mr. PLOTKIN. That is right.

Mr. KENNEDY. There is no question about that, he never mentioned that the teamsters were anxious to get rid of the chief of police?

Mr. PLOTKIN. No. We had words about that, Mr. Kennedy, in reference to my telling you in Seattle, while I was at the hospital, that the teamsters were trying to get rid of the chief of police and the mayor.

Mr. PLOTKIN. Let me ask you this: Did Tom Maloney say that he wanted to open the city up, that he wanted an open town?

Mr. PLOTKIN. Well, he made some remarks in reference to that.

Mr. KENNEDY. That he wanted an open town; is that right?

Mr. PLOTKIN. Yes.

Mr. KENNEDY. Then didn't he tell you that the chief of police was uncooperative?

Mr. PLOTKIN. Not in so many words; no.

Mr. KENNEDY. Didn't he tell you that the chief of police was uncooperative? I don't care exactly what words he used, but didn't he tell you that the chief of police was uncooperative?

Mr. PLOTKIN. Yes.

Mr. KENNEDY. That he was uncooperative about allowing these places to stay open?

Mr. PLOTKIN. The houses of prostitution?

Mr. KENNEDY. Any of the joints, generally. The joints.

Mr. PLOTKIN. Yes.

Mr. KENNEDY. Didn't he tell you then that he wanted to get rid of the chief of police?

Mr. PLOTKIN. Yes.

Mr. KENNEDY. And they were going to use the power of the teamsters to get rid of the chief of police?

Mr. PLOTKIN. No, sir.

Mr. KENNEDY. Did he mention the teamsters at all in connection with getting rid of the chief of police?

Mr. PLOTKIN. No, sir.

Mr. KENNEDY. You are absolutely sure of that?

Mr. PLOTKIN. Yes, sir.

Mr. KENNEDY. From page 101 of the executive session:

Did he tell you that the teamsters were anxious to get rid of Purcell, the chief of police?

Mr. PLOTKIN. That testimony I gave you in Seattle, I believe, Mr. Kennedy, or you told him.

Mr. KENNEDY. What is your answer to that question: Did he tell you that through the connection with the teamsters, that the teamsters were anxious to get rid of Purcell, the chief of police?

Mr. PLOTKIN. I believe I told you—

Mr. KENNEDY. Just answer the question. Is that true or not?

Mr. PLOTKIN. No; it is not.

Mr. KENNEDY. Your answer to that question in executive session is:

Mr. PLOTKIN. He might have mentioned that at one time; yes.

Question. That the teamsters were anxious to get rid of the chief of police?

Answer. Yes.

Mr. PLOTKIN. I believe I said it was he and the district attorney.

Mr. KENNEDY. I am not misreading it to you, Mr. Plotkin. I am reading it from the executive session testimony.

Mr. PLOTKIN. As a matter of fact, I spoke to you just this morning in reference to that, Mr. Kennedy.

The CHAIRMAN. Just a moment.

Mr. PLOTKIN. Yes, sir.

The CHAIRMAN. This is the transcript of your testimony before the Senate Investigating Subcommittee, just as the official reporter here is making a transcript of what you are saying now. So bear that in mind. That is what the Chair tried to warn you about a few moments ago.

Mr. PLOTKIN. Senator McClellan, I had quite a discussion with Mr. Kennedy in reference to that.

The CHAIRMAN. I do not care. Let's not talk about discussions with Mr. Kennedy. This is talking about what you swore to in the committee.

Mr. PLOTKIN. I thought I had testified at that time that the reference made in closing the town with Tom Maloney and the district attorney. I did not think that I said that.

Mr. KENNEDY. I don't care what you thought. That is what you said.

Mr. PLOTKIN. Well, if I said it, that is true.

Mr. KENNEDY. Is it true or not?

Mr. PLOTKIN. Yes.

Mr. KENNEDY. Now you are changing your testimony. It is true?

Mr. PLOTKIN. Well, I believe it is.

Mr. KENNEDY. Then I asked you:

Did he say he was uncooperative?

Mr. PLOTKIN. Yes.

This is talking about the chief of police.

How was he uncooperative?

Mr. PLOTKIN. With reference to a few places in the city of Portland.

Question. Then he said he was uncooperative because of the operation of these joints in the city of Portland?

Answer. That is true.

Question. And they wanted to get rid of him because of that?

Answer. Yes.

Did they also say after the mayor, after they wanted the mayor to get rid of the chief of police, they wanted to get rid of the mayor?

Mr. PLOTKIN. Yes.

Mr. KENNEDY. And they wanted to get rid of the chief of police, who was uncooperative about getting these places opened up?

Mr. PLOTKIN. Yes.

Mr. KENNEDY. And the teamsters were going to use their power to get rid of the chief of police and the mayor; is that right?

Mr. PLOTKIN. I believe so.

Mr. KENNEDY. And they also said that the teamsters and he, Maloney, were going to try to get rid of the chief of police and the mayor?

Mr. PLOTKIN. Yes; that is what I told you.

Mr. KENNEDY. Mr. Plotkin, you also ran some football sheets and baseball and basketball sheets?

Mr. PLOTKIN. I never ran them.

Mr. KENNEDY. You were working in Bob Archer's place?

Mr. PLOTKIN. Yes.

Mr. KENNEDY. Did you go to some of the cigar places?

Mr. PLOTKIN. Yes, I believe on 1 or 2 occasions; yes, sir.

Mr. KENNEDY. You brought them around. Now, you got into some difficulty at the end with the police department and yourself, did you not, and were arrested?

Mr. PLOTKIN. Yes, sir.

Mr. KENNEDY. Did Mr. Clyde Crosby secure your attorney for you?

Mr. PLOTKIN. Yes; he did.

Mr. KENNEDY. Were you also given some money at that time?

Mr. PLOTKIN. No, sir; not by Clyde Crosby.

Mr. KENNEDY. Who were you given the money by?

Mr. PLOTKIN. Well, it was just before Christmas. I had seen Tom Maloney, and just before this conversation came up in reference to my arrest he said, "Well, here, take this. I want you to buy yourself a Christmas present," and he gave me \$50.

Mr. KENNEDY. This was at the same time that you had been arrested and needed an attorney; is that right?

Mr. PLOTKIN. I already had an attorney.

Mr. KENNEDY. Did they tell you to get rid of that attorney?

Mr. PLOTKIN. After talking it over with Mr. Maloney, I thought it was pretty wise that I did.

Mr. KENNEDY. What did Mr. Maloney do with you then? What steps did he take?

Mr. PLOTKIN. I believe—I am not quite sure—I believe Mr. Maloney called Mr. Crosby.

Mr. KENNEDY. And what happened?

Mr. PLOTKIN. And I drove Mr. Maloney to the Teamsters Building. I waited in the car, and Mr. Maloney came out and gave me a card.

Mr. KENNEDY. What was the card?

Mr. PLOTKIN. The card was—I really don't remember too much about what was on the card. It says "Listen to this boy's story," or "Take care of this boy," or something to that effect.

Mr. KENNEDY. Whose card was it?

Mr. PLOTKIN. I believe it was Mr. Crosby's.

Mr. KENNEDY. Mr. Clyde Crosby?

Mr. PLOTKIN. Yes.

Mr. KENNEDY. Go ahead.

Mr. PLOTKIN. I had to get rid of the original attorney, and I did, so I went down to his office, and he wasn't in at the time. I told his secretary that I would be back. I asked what time Mr.—whoever the attorney was—would be in, and that I would be back at 8 o'clock in the morning when he came in, that I had something very important to tell him; and she said, "Fine." So at 8 o'clock the following morning, I asked my attorney if he wouldn't withdraw from the case; which he did.

Mr. KENNEDY. And then you took the attorney suggested by Mr. Crosby; is that right?

Mr. PLOTKIN. Yes.

Mr. KENNEDY. One other matter that I have. Did you ever pay that attorney?

Mr. PLOTKIN. No, sir.

Mr. KENNEDY. Was he not the teamsters attorney?

Mr. PLOTKIN. I believe so. There is a reason why I never paid my attorney, Mr. Kennedy.

Mr. KENNEDY. Go ahead.

Mr. PLOTKIN. My attorney, during the course of my troubles, died, and there was a set fee for his appearing for me. He told me that there would be a fee.

The CHAIRMAN. Did you know Clyde Crosby?

Mr. PLOTKIN. Not before—I met him sometime later, after my arrest.

The CHAIRMAN. Did you know him at the time he sent that card to you?

Mr. PLOTKIN. No, sir; I didn't.

The CHAIRMAN. You had never met him?

Mr. PLOTKIN. No, sir.

The CHAIRMAN. What interest did he have in you?

Mr. PLOTKIN. I have no idea.

The CHAIRMAN. Were you not told?

Mr. PLOTKIN. Well, perhaps—

The CHAIRMAN. Why would he take an interest in you, if he had never seen you?

Mr. PLOTKIN. I told Mr. Maloney that I was beaten up pretty good after I was arrested, and that is when he became quite interested in getting me another attorney, because of the fact that I told him that my attorney called the police station and they couldn't find any records on my arrest, and that one of the men at the police station—

The CHAIRMAN. All right. I understand Mr. Maloney was advising you and counseling you. What I am trying to determine is why Clyde Crosby took an interest in you.

Mr. PLOTKIN. I don't know, sir.

The CHAIRMAN. He did not know you?

Mr. PLOTKIN. No, sir.

The CHAIRMAN. You did not know him?

Mr. PLOTKIN. No, sir.

The CHAIRMAN. What were the working arrangements you found out between Crosby and Maloney?

Mr. PLOTKIN. I had no idea what the working arrangements were.

The CHAIRMAN. Anyway, when Maloney took over for you, and began to help you out, he went to Clyde Crosby, in the Teamsters Building?

Mr. PLOTKIN. Yes, sir.

The CHAIRMAN. Is that the teamsters headquarters?

Mr. PLOTKIN. Yes.

The CHAIRMAN. What was Clyde Crosby, at the time, with the teamsters?

Mr. PLOTKIN. I believe he was the international representative, or organizer.

The CHAIRMAN. International representative of the teamsters?

Mr. PLOTKIN. Yes, sir.

The CHAIRMAN. You had never met him, yet he directed you to an attorney with a notation on the card "Take care of this boy"?

Mr. PLOTKIN. Through Mr. Maloney; yes, sir.

The CHAIRMAN. Through Mr. Maloney. All right.

Are there any other questions? If not, the witness will stand aside.

We will take a recess until 2 o'clock. The committee will stand in recess until 2 o'clock.

(Members present at the taking of the recess: The Chairman, Senators Ervin and Goldwater.)

(Whereupon, at 12:17 p. m., the committee recessed, to reconvene at 2 p. m. the same day.)

AFTERNOON SESSION

(The hearing resumed at 2 p. m., Senator John L. McClellan, chairman, presiding.)

The CHAIRMAN. The committee will be in order.

(Present at the convening of the hearing were Senators McClellan and Goldwater.)

The CHAIRMAN. The Chair will announce that this will probably be a rather brief session this afternoon. The staff has considerable work to do in the office to get better organized for the session tomorrow and the next day.

We also wish to announce that tomorrow the hearings will be in room 357. Another committee will have this room for holding hearings; I believe it is the Foreign Relations Committee.

They had arranged for it some time ago and they feel that that hearing is one of importance, that the public would like to attend. For that reason they have priority on the room, this Caucus Room, for tomorrow.

I am compelled to announce, and regretfully so, that room 357 is much smaller than this. It will not accommodate the public that may wish to be present. The press will be admitted, and as many of the public as we can accommodate. But I cannot assure anyone that they will be accommodated when they get there. We will have to do the best we can.

It is unfortunate that we do not have yet adequate space and accommodations for hearings of this kind, and for all of the committees when the hearings are important. Therefore, I am hoping that the new building will soon be completed. I hope they will expedite the construction of it.

All right, Mr. Kennedy, call your first witness.

Mr. KENNEDY. Mr. Jim Elkins.

The CHAIRMAN. Come around, Mr. Elkins.

TESTIMONY OF JAMES B. ELKINS—Resumed

MR. KENNEDY. As he is coming, Mr. Chairman, we have an affidavit from Mr. J. Bard Purcell, city of Portland police lieutenant, which bears a little bit on some information bearing on the subjects we were discussing this morning.

The CHAIRMAN. All right, Mr. Kennedy; the affidavit has been sworn to?

MR. KENNEDY. It has, before Mr. Harry D. Shelton, State of Oregon.

The CHAIRMAN. The affidavit may be read into the record and may be printed in the record in full at this point.

MR. KENNEDY. I believe there are some copies of it, Mr. Chairman, if anybody is interested.

I, J. Bardell Purcell, a city of Portland police lieutenant, now assigned to the southwest division precinct, 3445 Southwest Moss Street, Portland, Oreg., freely and voluntarily make the following statement to T. George Williams who has identified himself to me as a member of the professional staff of the United States Senate Select Committee on Improper Activities in the Labor or Management Field.

No threats, force or duress have been used to induce me to make this statement, nor have I received any promise of immunity from any consequences which may result from submission of this statement to the aforementioned Senate select committee.

In the course of my duties as a detective, one day in the summer of 1955, I dropped in to the Desert Room, 1217 Southwest Stark Street, Portland, Oreg., which was a spot frequented by criminals and prostitutes. Nate Zusman, owner of the Desert Room, came up to me and told me somebody wanted to talk to me.

I agreed to speak to the person, and a woman, who was seated at the bar with another woman and some other people whom I did not know, got up and came over to me and identified herself as Helen Hardy. We moved out of earshot of any others and nobody else was present during our conversation.

She recalled to me that her bawdy house had recently been raided and closed up by a squad led by Chief Jim Purcell, Jr., in person. She claimed that she had several thousand dollars invested in the operation and she certainly hated to lose it. She asked me if I knew Tom Maloney of the teamsters union and then said that he was helping her.

She had an impression that the police would not bother her in her operation of the bawdy house and was at a loss to understand why her place had been raided. She apparently was telling me her troubles with the hope that I would help her.

I told her that I didn't work vice cases and gave her no satisfaction. To the best of my knowledge I have never talked to her since that time.

I have read the foregoing statement and to the best of my knowledge and belief, it is true and correct.

(Signed) J. BARDELL PURCELL.

Witness:

T. GEORGE WILLIAMS.

March 1, 1957.

ELDA E. WILSON.

March 1, 1957.

Sworn to and subscribed before me, a notary public in and for Multnomah County, State of Oregon, this 1st day of March 1957.

(Signed) HARRY D. SHELTON.

My commission expires September 11, 1960.

The CHAIRMAN. All right, proceed with the witness.

MR. KENNEDY. Now, coming to July and August of 1955, Mr. Elkins, you were operating some of these joints, were you not, or you were financing them?

MR. ELKINS. Yes; two of them were operating?

MR. KENNEDY. Two of them were operating?

Mr. ELKINS. Yes, sir.

Mr. KENNEDY. Was Mr. Tom Maloney and Joe McLaughlin after you to open up other places?

Mr. ELKINS. That is correct.

Mr. KENNEDY. Were there any particular places that they spoke to you about opening up?

Mr. ELKINS. They wanted me to open poker in the Realto, Realto Billiard Parlor.

Mr. KENNEDY. Did you open that up?

Mr. ELKINS. Well, I think the poker got started, but it didn't last very long.

Mr. KENNEDY. But it did get started?

Mr. ELKINS. Yes, and eventually we got it started a little bit.

Mr. KENNEDY. Go ahead.

Mr. ELKINS. Then, in the Elite Billiard Parlor on Southwest Washington, we were going to put in a high dice and a 21 game.

Mr. KENNEDY. Did they ever get started?

Mr. ELKINS. They didn't get started. I believe we put a crap game in there one night and got closed the next day.

Mr. KENNEDY. Were there any discussions about opening up after-hour places?

Mr. ELKINS. Yes, sir; there was.

Mr. KENNEDY. What was the result of that?

Mr. ELKINS. Well, we didn't get very far; we just kept opening those two places until one of them was closed and then we opened up another to take its place.

Mr. KENNEDY. Did they feel that you operated most of the places there?

Mr. ELKINS. Yes, they felt that I had something to do with everything there.

Mr. KENNEDY. Did they feel that you were holding back some money on them?

Mr. ELKINS. That is correct.

Mr. KENNEDY. Were you paying them money periodically?

Mr. ELKINS. I was; yes, sir.

Mr. KENNEDY. Now, during this whole period of time, extending from the time that you started your operations, to the time that you went to see Mr. Frank Brewster, how much money approximately do you think that you gave to Mr. Joe McLaughlin and Tom Maloney?

(At this point in the proceedings, Senator Mundt entered the hearing room.)

Mr. ELKINS. It would run pretty close to \$20,000.

Mr. KENNEDY. \$20,000?

Mr. ELKINS. I would say, yes.

Mr. KENNEDY. That is over a period of what time?

Mr. ELKINS. Well, about 8 months, I would say.

Mr. KENNEDY. Were you paying them so much each month, or what was the arrangement?

Mr. ELKINS. It started off giving them so much each month, and then I quit. They were wanting a list of locations that this was supposed to be coming from and it wasn't coming from locations at that time.

Mr. KENNEDY. Why wasn't your money coming from locations?

Mr. ELKINS. We didn't have the locations running at that time.

Mr. KENNEDY. They thought that you had all of these locations, and in fact you did not?

Mr. ELKINS. That is correct.

Mr. KENNEDY. Were you giving them the money anyway?

Mr. ELKINS. I was.

Mr. KENNEDY. For what reason were you giving them the money?

Mr. ELKINS. Well, I presumed they would give it to Mr. Langley.

Mr. KENNEDY. Did Mr. Langley ever speak to you about the money?

Mr. ELKINS. He did.

Mr. KENNEDY. Did he ever speak to you that he was receiving the money?

Mr. ELKINS. He said he was getting a piddling amount.

The CHAIRMAN. What kind?

Mr. ELKINS. A piddling amount and everything that they got they cut it. They got "first count," I believe he said.

Mr. KENNEDY. Were they finding fault with you, McLaughlin and Maloney, about the fact you weren't operating more places?

Mr. ELKINS. Constantly; yes.

Mr. KENNEDY. Did they say anything about the reports from their superiors?

Mr. ELKINS. Just about every time they talked to me they told me that John and Frank and Clyde were very unhappy, and they were going to have to take steps.

Mr. KENNEDY. Did they ever indicate what the steps were going to be?

Mr. ELKINS. They said they were going to change the chief of police for one thing.

Mr. KENNEDY. So that more places would operate?

Mr. ELKINS. That is correct.

Mr. KENNEDY. Did you go to them and say, "You can't operate these places because the chief of police wouldn't allow it?"

Mr. ELKINS. Yes, I did.

Mr. KENNEDY. What position did they take on that?

Mr. ELKINS. They said, "We'll move him."

Mr. KENNEDY. Do you know if there was ever discussions about moving the chief of police, specific discussions?

Mr. ELKINS. They eventually, Mr. Crosby eventually went to the mayor and asked him to move Jim Purcell.

Mr. KENNEDY. To move the chief of police?

Mr. ELKINS. That is correct.

Mr. KENNEDY. Then, were they also dissatisfied with the mayor?

Mr. ELKINS. Yes; they were because he didn't do what they told him to do. They told him they wanted an open town and that they wanted a new chief of police and I guess that he didn't see it their way.

Mr. KENNEDY. Were you also trying to operate or get some places started in the colored section of town?

Mr. ELKINS. Well, Mr. Maloney had gone to various people to try to open up a place. First he tried to open up David Nance who operates a restaurant and gambling place, and Bob Segar, who operates another one.

Mr. KENNEDY. What are their names again?

Mr. ELKINS. Bob Segar and David Nance. He was complaining constantly to me. He said David Nance had given Langley money

and he helped him in his campaign and Langley was going to have to let them open.

So that goes on for a couple of months; then, he said there had to be a head to anything and he also wanted Tom Johnson to go with him.

Mr. ELKINS. He was another colored man?

Mr. ELKINS. Another colored man, running the Keystone Cafe.

Senator MUNDT. Before we get too far away from the \$20,000, I would like to ask whether Mr. Maloney and Mr. McLaughlin led you to believe that they were cutting that \$20,000 with Brewster and with Sweeney and with Clyde.

Did they imply that or were they keeping it?

Mr. ELKINS. They kept implying it wasn't enough to satisfy them, and so I took it for granted that there must be some agreement between them.

Senator MUNDT. It was your understanding that the money that you gave them they split up in some way or another with Crosby, Sweeney, Brewster, and Langley?

Mr. ELKINS. No; I don't think that they split it. At least, Crosby told me that they double-crossed him.

Senator MUNDT. Crosby told you he didn't get the money?

Mr. ELKINS. That is right.

Senator MUNDT. Was he complaining about that?

Mr. ELKINS. No; I don't know whether it was a complaint or what it was. I asked him to take them out of there, out of Portland.

Senator MUNDT. To take Maloney and McLaughlin out?

Mr. ELKINS. That is correct.

Senator MUNDT. What did he say?

Mr. ELKINS. He said that Frank Brewster and John Sweeney sent them down there and they would have to be the ones to take them out.

Senator MUNDT. You asked Crosby if he was getting any money?

Mr. ELKINS. No, he volunteered that they were double-crossing him.

Senator MUNDT. He volunteered they were double-crossing him and he was implying that he expected to get some money but didn't get it?

Mr. ELKINS. That is right.

Senator MUNDT. He was complaining about not getting money?

Mr. ELKINS. That is correct. That is the impression I had, that they were expecting the money, but I don't know that they got it.

Senator MUNDT. Now, you also said a little further back in your testimony that Mr. Crosby had gone to the mayor asking him to change the chief of police?

Mr. ELKINS. That is what I was told.

Senator MUNDT. Was the police chief changed?

Mr. ELKINS. He was not.

Senator MUNDT. He was not changed?

Mr. ELKINS. He was not.

Mr. KENNEDY. We will have some more information on that.

Senator MUNDT. What was that mayor's name?

Mr. ELKINS. Fred Peterson.

(At this point in the proceedings, Senator McCarthy entered the hearing room.)

Mr. KENNEDY. Did they also talk about opening some places in the Chinese section of town, getting some Chinamen operating?

Mr. ELKINS. Well, yes. I think the Chinamen were operating a place for their own race, fantan or something, and they felt that there should be revenue from those places to them.

Mr. KENNEDY. Coming into them?

Mr. ELKINS. That is correct.

Mr. KENNEDY. Was there also some discussion about the fact that you might get a ring of abortionists operating?

Mr. ELKINS. That was Mr. Maloney's idea.

Mr. KENNEDY. How were you going to operate that?

Mr. ELKINS. Well, he wanted so much a month.

Mr. KENNEDY. What figure did he feel you could get from them?

Mr. ELKINS. He figured if there was as many as four operating, they should get \$8,000 to \$10,000 a month.

Mr. KENNEDY. And that you could split that money?

Mr. ELKINS. Yes, they would cut me in on it.

Mr. KENNEDY. What was finally done about that? Was there any further discussion about it?

Mr. ELKINS. No, it just dried up and I never met any abortionists or talked to them.

Mr. KENNEDY. Did he want you to go out and try to set up a ring?

Mr. ELKINS. Yes, sir; he mentioned 2 or 3 abortionists that he said were abortionists, and he felt that they wanted to get back in operation.

Mr. KENNEDY. Did he want you to go and discuss the matter with them?

Mr. ELKINS. That is correct.

Mr. KENNEDY. And what position did you take on it?

Mr. ELKINS. I didn't take any position. I didn't go and meet them.

Mr. KENNEDY. You never discussed the matter with them?

Mr. ELKINS. No, with abortionists, I did not; no.

Mr. KENNEDY. Now, Senator Mundt was asking you about this \$20,000, and the fact that Clyde Crosby said that he was not getting any money. Was that a problem to you at that period of time, getting this money and not reporting all of it?

Mr. ELKINS. It worried me, because I could tell from my conversations they were complaining to John Sweeney and Crosby about it.

Mr. KENNEDY. What conversations are you talking about?

Mr. ELKINS. Conversations in the room where we had this microphone.

Mr. KENNEDY. This is getting into the period of time when you had your tapes.

Mr. ELKINS. Yes, sir.

Mr. KENNEDY. And you could also listen to the conversations?

Mr. ELKINS. Yes, sir.

Mr. KENNEDY. From the conversations that you listened to that were occurring in the room, you could tell that the money you were turning over to them, they were not making a correct accounting to Frank Brewster and John Sweeney and Clyde.

Mr. ELKINS. That is right. I heard them say several times they didn't want Langley to know the right figure, either.

Mr. KENNEDY. So did you feel this was going to be a problem to you?

Mr. ELKINS. Yes; I did.

MR. KENNEDY. Did you feel this was the source of Brewster's and Sweeney's irritation toward you?

MR. ELKINS. I felt it had a great deal to do with it; yes, sir.

MR. KENNEDY. What did you do then, about these tapes? What steps did you take, initially, with the tapes? What was it that finally resulted in your taking any steps on the tapes? What did you finally do and what was the conversation that you heard that resulted in your taking them?

MR. ELKINS. They were preparing to frame me.

MR. KENNEDY. Who was that conversation between?

MR. ELKINS. Tom Maloney and Joe McLaughlin and Bill Langley.

MR. KENNEDY. The district attorney?

MR. ELKINS. That is correct.

MR. KENNEDY. What was that conversation about?

MR. ELKINS. Well, they were figuring. Bill Langley said it looked like they would have to get rid of the "character" or move the operation out in the county.

MR. KENNEDY. Was that your name at that time?

MR. ELKINS. That is the name they gave me.

MR. KENNEDY. The "character"?

MR. ELKINS. That is correct.

MR. KENNEDY. What did they call Langley?

MR. ELKINS. The kid. Sometimes they would call him Abe Lincoln.

THE CHAIRMAN. Call him what?

MR. ELKINS. Old Honest Abe.

MR. KENNEDY. What conversation were they having in this room about that?

MR. ELKINS. Well, I was stalling them, or they felt that I was stalling them, and I was cheating them and there were cardrooms going and this going and that going and that they weren't deriving any money from it.

MR. KENNEDY. So what did William Langley say that might be done about it?

MR. ELKINS. He said.

We should get rid of the character and either that, or go out and start operating in the county, separately, away from him.

There was quite a lengthy conversation there.

MR. KENNEDY. Was it also indicated that they were going to put some rap on you?

MR. ELKINS. Yes, I don't believe that they came to what the rap would be, and Langley said he would be very happy to do it, and I believe Joe McLaughlin was noncommittal, and Tom Maloney said he wasn't in favor of that.

MR. KENNEDY. He said he was not in favor of that?

MR. ELKINS. I believe that is correct.

MR. KENNEDY. Did he say that you had brought him down from Seattle?

MR. ELKINS. That's right.

SENATOR MUNDT. I am a little intrigued by the fact that these men referred to Langley as Honest Abe. I think that that was a term of derision.

MR. ELKINS. I don't know. I imagine they were kidding him. He was the opposite from that.

Senator MUNDT. They called him Honest Abe under the same theory that you call a black dog Snowball, is that right?

Mr. ELKINS. That's right.

Mr. KENNEDY. From these tapes and from the conversations that you heard, you understood that they were possibly considering framing you, is that right?

Mr. ELKINS. That's correct and they would pick a different chief of police just about every day. They would decide on one, and then, of course, they don't know I am listening to it and they would accuse each other and bring up something about it the next day.

Mr. KENNEDY. In the course of the conversation, they would be discussing who they would make chief of police?

Mr. ELKINS. That is correct.

Mr. KENNEDY. And they would be discussing the qualifications of the various individuals, is that right?

Mr. ELKINS. That is correct.

Mr. KENNEDY. So that you heard them discussing each person, is that right?

Mr. ELKINS. That is correct.

Mr. KENNEDY. So what did you do then?

Mr. ELKINS. Then, I would go there the next day and talk around until they would bring that man's name up and I would say, "Well, I don't know if I ever mentioned that, but he is a good friend of mine."

Mr. KENNEDY. Then what would be the conversation the next day in the room?

Mr. ELKINS. Well, they would accuse each other of letting the cat out of the bag, or me knowing something.

Mr. KENNEDY. For selecting the wrong person?

Mr. ELKINS. Yes, and they would get off that man for chief, and select another one.

Mr. KENNEDY. Did they also indicate during these conversations how they were going to get the chief of police charged?

Mr. ELKINS. That is right. They were debating what to tell the mayor and what excuse the mayor could give that the public would accept because they felt that this chief as far as the public was concerned had done a very good job. And the mayor couldn't just say, "I am going to change the chief of police for any reason."

They were trying to find some reason that would stand up.

Mr. KENNEDY. Now, during this period of time, was there an approach made to Swede Ferguson about opening a place?

Mr. ELKINS. I don't know who approached who, but along about the first of July Swede Ferguson was in a golf game and he was playing golf and I don't know whether it was with Mr. Langley or the same place. They had a conversation and Langley told him—

Mr. KENNEDY. Could you just wait a minute, please?

I am sorry.

Mr. ELKINS. Mr. Langley told him it was all right that he should open.

Mr. KENNEDY. Did Langley say that he had met Ferguson at the country club or did Ferguson first report it to you?

Mr. ELKINS. No; Langley reported to me. Mr. Langley told me that he had met Swede Ferguson there and told Swede to contact Tom Maloney, but on second thought, he didn't think that Swede should contact Tom Maloney and so that was his purpose in telling

me to not let Swede contact Maloney, but me to make the arrangements.

MR. KENNEDY. Why didn't he want him to contact Tom Maloney?

MR. ELKINS. Well, because Tom Maloney would feel hurt if some business was transacted on the side, and he would feel that he would object to the amount he was getting.

MR. KENNEDY. So he would feel left out of it?

MR. ELKINS. Yes, sir.

MR. KENNEDY. And under the arrangements, only he was supposed to be setting these places up, is that right?

MR. ELKINS. That is correct, and so I think that he talked to Swede Ferguson an hour or two before that, and I called Swede Ferguson and I said:

Did you talk to a man this afternoon? He told you to contact Tom Maloney and you are now not to call Mr. Maloney.

He said:

It is not secret who called you. I just got through talking to him 5 minutes ago.

MR. KENNEDY. According to what Ferguson had told you, and what Langley told you, Langley had told him that he could go ahead and operate?

MR. ELKINS. But to clear it with Mr. Maloney first.

MR. KENNEDY. But that he did give him permission to open up this place?

MR. ELKINS. That is what he told me. Langley told me that, and Swede told me that; yes.

MR. KENNEDY. Mr. Chairman, we have an affidavit here from Mr. Ferguson, and I would like to put it in the record.

The CHAIRMAN. All right, it may be. The affidavit will be printed in the record and counsel may read it.

Senator McCARTHY. Before you read the affidavit, may I say that I have been, as counsel knows, somewhat critical of using the underworld elements to give evidence against the teamsters' union and I understand now from talking to counsel and his staff that they have verified everything that this witness has said by affidavit or otherwise, No. 1.

No. 2, that there are two things he drew the line at: No. 1, he would not engage in the "take" on prostitution or this other abortion racket.

MR. KENNEDY. That is right.

Senator McCARTHY. You are not relying on his testimony alone, and you are relying upon verification by numerous affidavits and conferences that have been had.

MR. KENNEDY. That is correct, and by other witnesses.

I, Harvey Ferguson, make this statement of my own free will without promise of any favor or promise of immunity, in the presence of Jerome S. Adlerman and Alphonse Calabrese, assistant counsel to the United States Senate committee which is known to me to be investigating improper activities in labor or management fields.

I reside at 3110 Southwest 11th Street, Portland, Oreg. I am 68 years of age and have resided in Portland since about 1920. I am retired at the present time. Up until the very recent past, I ran after-hour clubs in the city of Portland for a period of about 2 years, from July 1955 to December 1956.

I first met Mr. Leo Plotkin about 1948 at the Clover Club, a Portland theater-restaurant in which I had a part interest. Plotkin came to this club on a number of occasions as a guest.

In May or June 1955 Plotkin introduced me to Thomas Maloney at the Desert Room. When we were introduced he told me he was connected with the teamsters' union. I had already heard about Maloney as an active campaigner for District Attorney William Langley.

Around July 1955 I met William Langley at the Portland Golf Club during a tournament, at which time I asked Langley if he would go out of his road to cause me trouble if I opened up. Bill said I had always run a good place at the Clover Club and gave me a telephone number to call and speak to Tom Maloney.

When I returned home that evening and before I could call Tom Maloney, Jim Elkins had called and left a message for me to call him. I called Jim Elkins and Jim told me not to call Maloney as everything was already taken care of and that he had already called Maloney. Jim told me that Leo Plotkin would have to be put to work as Maloney's checker or representative.

Jim Elkins had loaned me \$5,000 to finance these operations, the Key Bridge Club located at 408 Southwest 14th Street, and the Dance School at 829 Southwest Third Street, both in Portland. These places were after-hour clubs that were open from 2:30 a. m. to 6:30 a. m., where the guests could play cards and shoot dice.

Elkins was to get 50 percent of the gross receipts and I took 50 percent of the gross receipts, and I took half of my receipts, which amounted to 25 percent of the gross, and applied it to the payment of the money I borrowed from Jim. As soon as I paid the whole loan I was the sole owner and operator.

I opened the Key Bridge Club the same night that I had spoken to Bill Langley at the golf tournament. Two or three nights later Leo Plotkin came to the Key Bridge Club and began to work as a floor manager at \$15 a day.

Plotkin's job was to keep his eye on the games, to see that there was no trouble, and to count the nightly receipts with me. We operated the Key Bridge Club until it got hot and then we would close and then begin operation at the Dance School. We would operate there for a couple of weeks and then go back to run the Key Bridge Club for a couple of weeks.

Plotkin worked until October or November 1955 when we closed down because Maloney had left Portland the previous day after the breakup with Elkins. We decided to close because we felt we had no protection after Maloney left.

During the time that Plotkin worked for me, on 2 or 3 occasions Plotkin and I had arguments over the way the places should run. Plotkin threatened to close me up if things were not done his way. He would go out for 10 or 15 minutes and a half hour later Tom Maloney would show up and tell me to lay off Plotkin if I wanted to stay in business.

I recall one argument that started when Plotkin wanted to fire a waitress named Millie for being late coming to work. I told him I did not want to fire her, an argument started, and he threatened to close me up. He left the premises and Maloney came in a short time later and also told me he would close me up unless I did what Plotkin wanted. After an argument the thing blew over, and I didn't fire her.

Jim Elkins and I decided to start operations again just before Christmas of 1955 and I tried to rehire Plotkin but he refused. Some time after the 1st of January 1956 Plotkin finally was rehired by me until April 1956 when our operations ended for a while. The reason Jim and I decided to hire Plotkin was that we felt that by hiring Plotkin we had protection from the district attorney and the teamsters union gang.

I made no payments to Tom Maloney. However, I do know that 25 percent of the gross of these operations was given by Jim Elkins to Tom Maloney. I never met Joseph Patrick McLaughlin, to my knowledge, and never made any payments to him. Tom Maloney and McLaughlin never put any money into the operations or had any investment in the business.

The 25 percent of the gross receipts that went to Maloney was paid for protection.

This statement consisting of four pages, which has been read by me, is true and correct to the best of my knowledge.

(Signed) HARVEY FERGUSON.

JEROME S. ADLERMAN.
ALPHONSE F. CALABRESE.

Signed in the presence of:

FEBRUARY 12, 1957.

Sworn to and subscribed before me on the 12th day of February 1957.

R. DEMOTT, Clerk,
United States District Court.
THORA LUND, Deputy.

Senator McCARTHY. Before that is introduced, could I ask the witness a question, Mr. Chairman? To the best of your knowledge, is that affidavit accurate and true?

Mr. ELKINS. Yes; it is.

Mr. KENNEDY. Now, this money that you were turning over to Joe McLaughlin and Tom Maloney, did you ever get any receipt for it?

Mr. ELKINS. Well, that was pretty hard to do. Several times we asked for a receipt, and we asked Tom and we asked Joe, but we weren't successful. Finally I was able to get a receipt for the 25 percent of six-thousand-one-hundred-and-some dollars.

Mr. KENNEDY. What was that? That was \$6,100 of approximately \$20,000 that you turned over?

Mr. ELKINS. That's correct. That was a percentage of the operations of the after-hour clubs from July up until——

Mr. KENNEDY. July of 1955 to December of 1955?

Mr. ELKINS. Yes; that's right.

Mr. KENNEDY. That was about \$6,100?

Mr. ELKINS. That's right, and some cents. I think that I have the exact figure.

Mr. KENNEDY. May I ask you if you will identify this?

(A document was handed to the witness.)

The CHAIRMAN. The witness will examine the document presented to him and state whether he identifies it and if so, what it is.

Mr. ELKINS. It is a document where I told Joe McLaughlin that I have paid income tax and paid the income-tax people on \$6,121.46, and that I had declared to them that he received a like amount. As long as he was going to have to pay income tax on it, there was no reason for him not to sign this statement, and he signed it.

The CHAIRMAN. That is a photostatic copy of it; is it not?

Mr. ELKINS. Yes; I have the original in my pocket.

The CHAIRMAN. You have the original in your pocket?

Mr. ELKINS. I think so.

The CHAIRMAN. You may keep the original, just so that it is a photostatic copy of it. You do have the original that you can exhibit to the committee here?

Mr. ELKINS. Here it is.

The CHAIRMAN. Let me see it a moment, please, and let each member be satisfied about it.

(A document was handed to the chairman.)

The CHAIRMAN. Let us have the other document, also.

(The photostat was handed to the chairman.)

The CHAIRMAN. The photostatic copy may be made Exhibit No. 39 and printed in the record at this point.

(The document referred to was marked "Exhibit No. 39" for reference and will be found in the appendix on p. 753.)

The CHAIRMAN. The Counsel may read the document into the record.

Mr. KENNEDY. It is, "Service Machine Co." That is the heading. Is that your company?

Mr. ELKINS. That is right.

Mr. KENNEDY. 1424-26 Southwest Second Avenue, Portland, Oreg., March 22, 1956:

Statement of income for calendar year 1955 from mutual investment of J. P. McLaughlin, 906 First Avenue, Seattle, Wash., and J. B. Elkins, 1426 Southwest Second Avenue, Portland, Oreg.

In consideration of \$6,121.46 which I received from J. B. Elkins in full settlement from our mutual investment during calendar year 1955. Mutual investment ended as of December 31, 1955. (Signed) J. P. McLaughlin, and (signed) J. B. Elkins.

The CHAIRMAN. The Chair understands that is money that you received from this joint venture, that is out of one establishment.

Mr. ELKINS. Oh, no. Those places, one place would operate a month or 2 months. The longest any one operated was 4 months.

The CHAIRMAN. You reported on your income tax that you had made that much money out of the business for your 25 percent?

Mr. ELKINS. That is correct.

The CHAIRMAN. And he was getting 25 percent, and therefore, you gave him this statement to substantiate his income-tax return?

Mr. ELKINS. That is right.

The CHAIRMAN. And he signed it with you agreeing that that was correct?

Mr. ELKINS. That is correct.

The CHAIRMAN. That is a document between the two of you, certifying that that is the amount of money that you each received from that operation?

Mr. ELKINS. That is right.

The CHAIRMAN. The original may be returned to the witness.

Mr. KENNEDY. Now, during this period, also, there were efforts by Tom Maloney to keep some of these call girls operating?

Mr. ELKINS. Well, I got no absolute proof of it. He called me on various occasions and would bring the subject up, but we never got to it.

Mr. KENNEDY. Did he ever tell you he was going to the police department and complain about the way they were treating these places?

Mr. ELKINS. Yes; he did, and he wanted me to talk to the chief of police and I said I had tried that and I was thrown out.

Mr. KENNEDY. We have two affidavits on this matter, also, Mr. Chairman. Should we read them in the record?

The CHAIRMAN. All right.

Mr. KENNEDY. This is from Carl R. Crisp, who was mentioned this morning, as head of the vice squad.

I, Carl R. Crisp, a city of Portland police lieutenant, now assigned to the southwest division precinct, 3445 Southwest Moss Street, Portland, Oreg., freely and voluntarily make the following statement to T. George Williams who has identified himself to me as a member of the professional staff of the United States Senate Select Committee on Improper Activities in the Labor or Management Field.

No threats, force, or duress have been used to induce me to make this statement, nor have I received any promise of immunity from any consequences which may result from submission of this statement to the aforementioned Senate select committee.

I first met Tom Maloney in the early part of August 1955, at the east division precinct, 626 Southeast Alder Street, Portland. At that time, Maloney took the occasion to let me know he was a "big man" in the teamsters union.

My next meeting with Tom Maloney occurred on October 14, 1955. I remember the date because on that day, in company with Sgt. Ralph O'Hara and Officer

Clinton Parker of the city of Portland police, I arrested Blanche Kaye for running a house of prostitution. On that same day after the arrest had been made, Maloney came in to see me at the vice division headquarters, then located in a building also used as a municipal garage at Southwest 17th and Jefferson Streets, Portland.

Maloney protested that the criminal statute was too severe, that the girl Blanche Kaye could be sent to the penitentiary, and that eventually all bawdy house madams in Portland would be driven out of business if the police continued strict enforcement of the law, all of which, Maloney implied, would be bad for me. I rejected his protests and gave him no satisfaction, and he then left the building.

I have never seen Maloney in the Teamsters Union Building at 1020 Northeast Third Avenue, Portland, and while I know that Clyde C. Crosby, who is a teamster official, I have never spoken to Crosby specifically about Maloney nor attempted to verify Maloney's statement that he (Maloney) was an official of the teamsters union.

I have read the foregoing statement and to the best of my knowledge and belief, it is true and correct.

(Signed) CARL CRISP.

Witness :

T. GEO. WILLIAMS,
February 25, 1957.

HARRY D. SKELTON,
February 25, 1957.

Sworn to and subscribed before me, a notary public in and for Multnomah County, State of Oregon, this 25th day of February 1957.

(Signed) GLADYS S. SMITH.

My commission expires December 12, 1960.

The CHAIRMAN. The affidavit may be printed in the record.

Senator McCARTHY. Mr. Chairman, I do not want to take up the time of the committee or interrupt the sequence of the examination of our able counsel, but I do feel that in view of the fact that there will be a number of affidavits by policemen and by others, and eye-witnesses to certain events, that the Chair should attempt to get one of the members of the committee to go to Portland and have these affidavits sworn to under oath before the committee or otherwise check and see if we could not delegate the power of swearing the witness to a member of the staff.

I think that is terribly important because we are getting into something here that is hip deep in graft and corruption.

We know there will be perjury indictments arising out of it. Again, I may say that I discussed this matter with some of the United States attorneys and they feel that we should leave no loopholes for any man who may be indicted to escape.

I renew the suggestion that the chair have one member of the committee or if he can, delegate it to the staff, have a staff member go to Portland and have all of the affidavits sworn to under oath.

The CHAIRMAN. The Chair will ascertain as early as possible whether this committee has authority to delegate to a member of its staff the power to administer an oath.

The Chair expressed doubt about it yesterday. I still entertain some doubts about it. But we will undertake to ascertain about that. In the meantime, the Chair yesterday announced that all staff members would be instructed to have the witness state in an affidavit that he was making the statement for the purpose and with the knowledge that it would be placed in the public records of this committee, so that thereafter there would be no doubt about the purpose of it, and it shall contribute directly to the course of this investigation.

The Chair would much prefer not to take affidavits from anyone and place them in the record, but it becomes perfectly obvious here that where we have the direct testimony from someone else, an affidavit may serve as a corroborating statement as to testimony that the committee already has from witnesses who are here present.

If we are to send out and get all of these witnesses and bring them in here, which we have a right to do in any instance or any witness, where any member of the committee has any doubt or desire to have that witness appear in person who may have submitted an affidavit, the Chair will immediately issue a subpoena for that person and we will undertake to have him present.

But the point I was making is, if we were to bring all of them in here to testify to substantially the same thing, instead of using affidavits after we once have the record established by a witness here present under oath, it is going to be quite expensive.

I am not unwilling to go to the expense where it is necessary and if the committee thinks that these witnesses should all be brought here.

Senator McCARTHY. Without spending much further time on this, I may say that I think that the Chair and the chief counsel and the staff have been doing an excellent job. I am concerned with the record which will have to be used by the United States attorneys in the future.

I am not suggesting that we call in all of the witnesses who sign an affidavit. For example, in Portland, I understand you have a sizable number of affidavits. If the Chair decides that a member of the staff cannot administer the oath, and I also share the same doubt with the Chair, then I do believe that one of the Senators who would constitute a quorum should go out and have the various witnesses all brought together and all they would have to do is, not to go over the affidavit in detail, but be asked to read it and swear that that was the truth and then you would have a record which the United States attorney can use without hesitation in a prosecution.

I am not pressing for a decision on that at this time, Mr. Chairman, but as this goes on it impresses me more that must be done if we are to give the United States attorneys offices the aid which they will have to have in any prosecutions in the future.

The CHAIRMAN. The Chair will give consideration to the Senator's request. I think it is a matter for us to discuss in the committee. Under the rules adopted by this committee, one member can be designated to take sworn testimony with the written approval of the chairman and vice chairman. I believe those are our rules.

But if we get the affidavit first, I think then the proper thing would be to have a member of the committee verify the affidavit, and let him again swear to it before a member of the committee.

Senator MUNDT. Mr. Chairman, not being a lawyer, I hesitate to inject myself into this legal discussion, but in an effort to continue to pick up a free legal education in the course of these hearings, I would like to inquire of the Chair whether or not, if the problem is to firm up these affidavits by making them sworn testimony, would it be possible to have either the district attorney or the Federal judge in Portland, in chambers, ask these witnesses to come in and swear to the affidavit? Could they not administer an oath and take the testimony then?

The CHAIRMAN. I do not think so. This is a snap judgment, but there would not be anything pending before the court. The court would not have jurisdiction unless there is something pending before the court.

Senator McCARTHY. I might say, in adding to the free legal education of my able colleague, that I agree wholeheartedly with the Chair, that such an oath would be meaningless; that an oath is effective only where you are required under law to give it, and that would be before this committee in these cases.

The CHAIRMAN. All right, let us proceed.

We will try to resolve this. I am very interested in it, and I know each member of the committee is interested in it, in making a record where perjury is committed, so that the perjurer can be prosecuted and that the record can stand up. If this procedure is inadequate, as we are undertaking to proceed here, to expedite it, and to economize as far as we can, if we find there is any doubt about this procedure, we will certainly revise it, even if we will have to bring the witnesses here.

Proceed.

Mr. KENNEDY. I have an affidavit from Bard Purcell, a second affidavit, Mr. Chairman.

The CHAIRMAN. It may be read.

Mr. KENNEDY (reading):

I, J. Bardell Purcell, a city of Portland police lieutenant, now assigned to the southwest division precinct, 3445 SE. Moss Street, Portland, Oreg., freely and voluntarily make the following statement to T. George Williams who has identified himself to me as a member of the professional staff of the United States Senate Select Committee on Improper Activities in the Labor or Management Field. No threats, force or duress have been used to induce me to make this statement, nor have I received any promise of immunity from any consequences which may result from submission of this statement to the aforementioned Senate Select Committee.

I first met Tom Maloney in May 1955. At that time I was assigned to duty as a detective and I also acted as an inspector for the Portland Boxing Commission. One day in May 1955, in a restaurant on Southwest Fourth Avenue, Portland, I ran across some people I knew from the boxing field. As I was chatting with those people, I was introduced to another person seated in the same booth who was identified to me as, "Tom Maloney of the teamsters union."

I finished my chat with my acquaintances and was about to leave the restaurant when Maloney got up from the booth, called to me, and asked me to sit down to talk to him in another booth, which I did. He began talking about what a fine job the Portland police were doing and about how well Mayor Peterson and his administration were running the city. But Maloney felt that vice was being unduly suppressed and that there should be a loosening up. Then he began talking about politics and the cost of electing candidates to local, State, and National offices. He then made the remark that it would take a "barrel of money" to elect all these people and there might not be much left for "Pete." The name obviously referred to Mayor Fred L. Peterson.

Maloney then suggested I speak to my brother, Jim Purcell, Jr., the chief of police, about allowing some illegal activities to operate within the city. I told Maloney that I was assigned to the detective division, that we didn't handle vice cases, and that in my opinion there wouldn't be any relaxation in the suppression of vice.

(At this point, Senator Goldwater withdrew from the hearing room.)

Mr. KENNEDY (reading):

I thought no more of this incident until sometime in July 1955. My father died on July 29, 1955, and a couple weeks before that I received a telephone call one night from Jim Elkins who told me that somebody wanted to talk to me.

After being informed that it was important, I agreed to meet the person on the street corner at Northeast 82d and Glisan Streets, Portland. I arrived in my car first at the corner and in a few moments another car drove up. Maloney got out of it and it developed that he was the person who wanted to talk to me. We sat and talked in my car for 15 to 20 minutes. Maloney stated that time was passing by and nothing was being done about opening up the town for vice operations and that consequently some people were getting unhappy with the situation. Maloney said there ought to be 4 or 5 places running in the colored section of the city and also some on the west side. He again asked me to speak to Chief Jim Purcell, Jr., about getting things opened up. I gave him no satisfaction and again told him that if he wanted information to get to the chief, he should go and talk to the chief at his office.

This time I told my brother of the incident and he said that he knew of Maloney and his intentions. My brother added that if Maloney has anything to say to me, tell him to come down to my office.

I have read the foregoing statement and to the best of my knowledge and belief it is true and correct.

(Signed) J. BARDELL PURCELL.

Witness:

(Signed) T. GEORGE WILLIAMS,

(Signed) ELDA E. WILSON,

March 1, 1957.

Sworn to and subscribed before me, a notary public in and for Multnomah County, State of Oregon, this 1st day of March 1957.

(Signed) HARRY D. SHELTON.

My commission expires September 11, 1960.

Do you know anything that is false in that affidavit?

Mr. ELKINS. I don't think I do.

Mr. KENNEDY. Nothing?

Mr. ELKINS. Nothing.

Mr. KENNEDY. It is true as far as you know?

Mr. ELKINS. As far as I know.

Senator MUNDT. Did you make that phone call setting up the appointment?

Mr. ELKINS. I did.

Mr. KENNEDY. What did Maloney tell you that he wanted to talk about?

Mr. ELKINS. Well, he told me he wanted me to go see the chief of police and tell him that he would either allow certain places to open, that the town was too tight, and if he wanted to stay in as chief, he was tired fooling with him, and that his people in Seattle had ordered him to either get something going or they would remove the chief.

Mr. KENNEDY. The people in Seattle would remove the chief?

Mr. ELKINS. That is correct.

Mr. KENNEDY. Unless he allowed some of these things to get going?

Mr. ELKINS. That is correct.

Mr. KENNEDY. Was he always referring to Brewster and John Sweeney in Seattle, Tom Maloney?

Mr. ELKINS. That is correct.

Mr. KENNEDY. Were you present when he made telephone calls to them?

Mr. ELKINS. I have been, many times; yes.

Mr. KENNEDY. Was he reporting to them continuously as to what the operations were?

Mr. ELKINS. Well, on many occasions, yes.

Mr. KENNEDY. Many occasions that you were in the room, he did call them on the telephone?

Mr. ELKINS. That is correct.

Mr. KENNEDY. And he talked about them continuously?

Mr. ELKINS. And I have been there when they called him.

Mr. KENNEDY. You were there when they called him?

Mr. ELKINS. Yes.

Mr. KENNEDY. Would that be Frank Brewster?

Mr. ELKINS. Frank Brewster and John Sweeney.

Mr. KENNEDY. Both of them, is that right?

Mr. ELKINS. Yes.

Senator MUNDT. Mr. Elkins, what would be the nature of those conversations insofar as you could hear the Maloney part of it?

Mr. ELKINS. Well, he wasn't talking too frankly. Apparently they would ask him how he was getting along, and he would tell them that it wasn't a paying proposition, or he would complain about something. Sometimes he would tell them some story about discussing horse books and betting on horses, and wind up telling them he would see them when they got back to Seattle.

Senator MUNDT. Would he talk about the law-enforcement situation in Portland?

Mr. ELKINS. On many occasions he was complaining, that one of them was going to have to sooner or later talk to the "powers that be," I believe is the way he would put it, because we were getting opposition.

Senator MUNDT. At least the conversation would indicate that both Mr. Sweeney and Mr. Brewster were very much interested in his desire to open up the town?

Mr. ELKINS. Yes, sir. That is right.

Senator MUNDT. And in the powers that be, I suppose he referred to the city administration and the chief of police?

Mr. ELKINS. That is right.

Senator MUNDT. Being a telephone conversation, it would be somewhat cryptic, I presume, and ambiguous?

Mr. ELKINS. And guarded; yes, sir.

Mr. KENNEDY. You mentioned about horse books. Was there ever a horse book opened up in Portland?

Mr. ELKINS. Yes. There was more than one opened up, but never on a large scale, and I don't think they opened it.

Mr. KENNEDY. Did they ever have anything to do with a horse book there?

Mr. ELKINS. No. They were just mostly talk. I don't think that they actually had a part of a horse book that opened, only they laid the bets off at Seattle.

Mr. KENNEDY. Did they bring Morrie Altschuler down there?

Mr. ELKINS. They did.

Mr. KENNEDY. Who was Morrie Altschuler?

Mr. ELKINS. A professional horse book man.

Mr. KENNEDY. What were they bringing him down for?

Mr. ELKINS. To open up a horse book.

Mr. KENNEDY. What finally resulted?

Mr. ELKINS. Well, for some reason it just didn't get open.

Mr. KENNEDY. You never were directly involved in that yourself?

Mr. ELKINS. No. I was talked to about it, and I was to receive 25 percent of it, or whatever it might be, if I would get it open. I was to front for it.

Mr. KENNEDY. It never got operating?

Mr. ELKINS. No. They wanted them to open horse books in various local people's establishments, and they wanted 50 percent of that, and I just never went and talked to them about it.

Mr. KENNEDY. Did they operate some kind of a horseracing establishment there, that they were going to have some connection with Seattle? Did they ever operate that?

Mr. ELKINS. Well, Altschuler did, but I don't think they had anything to do with it, only the bets were laid off through their establishment in Seattle.

Mr. KENNEDY. Did you understand that the bets that were made in that place were laid off at Battersby and Smith?

Mr. ELKINS. That is right.

Mr. KENNEDY. And Battersby and Smith was Joe McLaughlin's place in Seattle?

Mr. ELKINS. That is correct.

Mr. KENNEDY. When you made these tapes and found that there was a possibility that they might doublecross you, what did you decide that you were going to do with the tapes first?

Mr. ELKINS. Well, I thought I would take them down to Salem and give them—do you mean first?

Mr. KENNEDY. Yes. What did you initially think you were going to do with the tapes? Were you going to make them public?

Mr. ELKINS. I thought I was. I thought I would put them in a sack, with a rock in it, and throw it through the window of the Oregonian establishment.

Mr. KENNEDY. What did you do with the tapes after you got them?

Mr. ELKINS. Well, I——

Mr. KENNEDY. Did you go to see any of the officials with them?

Mr. ELKINS. I went to Mr. Langley and told him that I had some tapes.

Mr. KENNEDY. What did he say?

Mr. ELKINS. He said that he was a young man and I was old enough to die anyway, and that I shouldn't harm his position, that he thought he could eventually be governor, and that he would appreciate it if I could get Tom Maloney out of the town. He didn't think I would have too much trouble with McLaughlin, but Maloney wouldn't let him mind his own business. I asked him to run his own office and not take orders from anyone.

Mr. KENNEDY. Your aim, then, was to get Maloney and McLaughlin out of town?

Mr. ELKINS. That is correct.

Mr. KENNEDY. And to go back to sort of a peaceful existence in Portland?

Mr. ELKINS. That is right.

Mr. KENNEDY. Did you tell Langley at that time that you would turn the tapes over to him for \$10,000?

Mr. ELKINS. I certainly did not.

Mr. KENNEDY. And you never mentioned the fact that you wanted some money for the tapes?

Mr. ELKINS. I never wanted any money for the tapes.

Mr. KENNEDY. You never asked Langley for \$10,000 for the tapes?

Mr. ELKINS. Not anyone else; no, sir.

(At this point, the chairman withdrew from the hearing room.)

Mr. KENNEDY. Do you know Mrs. Langley?

Mr. ELKINS. Only since I have been here. I have never been introduced to Mrs. Langley.

Mr. KENNEDY. You never saw her before?

Mr. ELKINS. No, sir.

Mr. KENNEDY. You never went to Mrs. Langley and asked her for \$10,000?

Mr. ELKINS. I certainly did not.

Mr. KENNEDY. Did you ever meet Mrs. Langley?

Mr. ELKINS. No, sir.

Mr. KENNEDY. How many times did you go to the home of Langley?

Mr. ELKINS. I went there twice.

Mr. KENNEDY. Before the tapes?

Mr. ELKINS. I went there before the tapes to ask him to quit spreading stories about me and prostitution. He told me that he didn't think I was mixed in prostitution, to quit worrying about it, and to tell him to quit worrying about the \$8,500 he owed me and I would give him \$5,000.

Mr. KENNEDY. You gave him \$5,000?

Mr. ELKINS. That is right.

Mr. KENNEDY. That was out of an earlier business deal?

Mr. ELKINS. That is right, the China Lantern.

Mr. KENNEDY. And you owned it together?

Mr. ELKINS. That is right. We sold it to a Chinese couple.

Mr. KENNEDY. That was a gambling establishment?

Mr. ELKINS. That is right. We were to retain half of the gambling that might be operated within 10 years there.

Mr. KENNEDY. This was back in 1949 that the two of you owned the China Lantern, is that correct?

Mr. ELKINS. That is correct.

Mr. KENNEDY. And that was a gambling establishment that both of you operated?

Mr. ELKINS. Well, we didn't do much gambling after we got it. The man he was in partners with previous, they had a game going.

Mr. KENNEDY. Did you do some gambling there?

Mr. ELKINS. Yes.

Mr. KENNEDY. Was it an after-hours place?

Mr. ELKINS. Yes. It operated all night.

Mr. KENNEDY. Did it operate after 2:30 a. m.?

Mr. ELKINS. Well, mostly food and gambling. We didn't sell whisky there. We give the whisky away.

Mr. KENNEDY. So you went to Langley on this one occasion when you had this break, this argument, with Crosby in the car, and then Langley started spreading stories that you were interested in prostitution, is that right?

Mr. ELKINS. That is correct.

Mr. KENNEDY. You went to him at that time to tell him to stop spreading the stories, and also you made an arrangement with him on the \$8,500 you said that he owed you, is that right?

Mr. ELKINS. That is right.

Mr. KENNEDY. And you agreed to pay him \$5,000?

Mr. ELKINS. I did.

Mr. KENNEDY. Did you pay him the \$5,000?

Mr. ELKINS. Yes. I gave it to Joe McLaughlin the following Monday.

Mr. KENNEDY. For him to give it to him?

Mr. ELKINS. That is right.

Mr. KENNEDY. At that time, the tapes were in the room, is that right?

Mr. ELKINS. That is right.

Mr. KENNEDY. And you had the conversation about when you turned the \$5,000 over to Joe McLaughlin, that was on tapes, is that right?

Mr. ELKINS. That is right.

Mr. KENNEDY. And it was also taped, his conversation after you left the room?

Mr. ELKINS. That is right.

Mr. KENNEDY. You went to see Langley a second time, you went to see him at his home a second time, which was on these tapes?

Mr. ELKINS. That is right.

Mr. KENNEDY. Did you tell him that you were going to make the tapes public at that time?

Mr. ELKINS. I did. I told him I would throw them through the front window of the Oregonian if he didn't quit taking orders and run his place like he should.

Mr. KENNEDY. Did you also go to see Mr. Clyde Crosby?

Mr. ELKINS. I did.

Mr. KENNEDY. Let us go back. You never saw Mrs. Langley at that time?

Mr. ELKINS. That time or any other time. I don't believe that she—she might have seen me, but I didn't see her. I seen two little kids that he brought into the living room.

Mr. KENNEDY. But you never discussed the fact that you wanted money for the tape?

Mr. ELKINS. At no time, and I never took any tapes to Bill Langley's home, nor any recorder.

Mr. KENNEDY. The next thing you did was you went to Clyde Crosby?

Mr. ELKINS. That is right.

Mr. KENNEDY. And you played some of the tapes for him?

Mr. ELKINS. Yes, sir.

Mr. KENNEDY. Did you ask him for any money?

Mr. ELKINS. I certainly did not. He wanted to bring the tapes to Washington, D. C., to let John Sweeney and Frank Brewster listen to them, he said.

Mr. KENNEDY. Was the point of these tapes that you were going to establish that you were turning over about \$20,000, and that you knew from the tapes and from listening to the conversation that they were not making that accounting to John Sweeney or Frank Brewster and Clyde Crosby?

(At this point, the chairman entered the hearing room.)

Mr. ELKINS. That is right; that they were lying to them about everything.

Mr. KENNEDY. Including yourself?

Mr. ELKINS. That is right.

Mr. KENNEDY. And if, in fact, they were being doublecrossed; they were being doublecrossed by them?

Mr. ELKINS. By them instead of me; that is correct.

Mr. KENNEDY. And Crosby seemed to accept that initially; did he?

Mr. ELKINS. He was saying that he didn't know them, that he didn't pick them to be brought down there, and they were really closer friends of Frank Brewster than they were to John Sweeney; that Brewster had selected them and turned them over to John Sweeney to operate in Portland. He was more or less of a green pea in the vice situation, that he had only been in the position he was in for a year or something, and that he felt that John Sweeney and Frank Brewster would put those men in their place and take them out of there. There was no discussion about money or anything else.

Mr. KENNEDY. And did he ask to take the tapes from you at that time?

Mr. ELKINS. He wanted them.

Mr. KENNEDY. And that was to take them back to Washington?

Mr. ELKINS. That is right. He asked me to deliver them to him at the airport on Wednesday, I believe, when he said he was going to take a flight for Washington, D. C., and that he would mail the tape back to me.

Mr. KENNEDY. Did you agree to turn them over?

Mr. ELKINS. I told him I would think about it.

Mr. KENNEDY. Did you learn at a later time that he had told William Langley that he thought he could get hold of the tapes?

Mr. ELKINS. That is correct.

Mr. KENNEDY. That was the conversation that was told you?

Mr. ELKINS. Bill Langley told someone that he understood that I no longer had the tapes. But they didn't know that there were about 70 or 50 of them.

Mr. KENNEDY. How many hours, approximately, do you have of tapes in that room?

Mr. ELKINS. I would say 70.

Mr. KENNEDY. Probably over 70 hours of tapes?

Mr. ELKINS. Yes, sir.

Mr. KENNEDY. Then after that you attempted to go see Frank Brewster; is that right?

Mr. ELKINS. That is right.

Mr. KENNEDY. Did you have difficulty getting hold of Frank Brewster then?

Mr. ELKINS. Yes, sir; I did.

Mr. KENNEDY. Through what contact were you finally able to get to see Frank Brewster?

Mr. ELKINS. Through Hy Goldbaum.

Mr. KENNEDY. How did you hear about Hy Goldbaum?

Mr. ELKINS. From Stan Terry.

Mr. KENNEDY. What did Stan Terry tell you at that time?

Mr. ELKINS. Well, he told me that Hy had arranged for an appointment for him, and that he imagined that I would have to pay for it, but that he thought that it could be arranged.

Mr. KENNEDY. He said that Hy had arranged an appointment for him?

Mr. ELKINS. That is right.

Mr. KENNEDY. And that you would probably have to pay for it, but he thought Hy could arrange the appointment?

Mr. ELKINS. To straighten it out. He just hoped it wasn't as rough on me as it was on him.

Mr. KENNEDY. He had already, initially, when he got into the union some 5 or 6 months earlier, had told you of his meeting with Frank Brewster and the fact that he had to pay \$10,000?

Mr. ELKINS. That is right. That is right.

Mr. KENNEDY. Did you ultimately meet with Hy Goldbaum?

Mr. ELKINS. I did; yes, sir.

Mr. KENNEDY. Where did Hy Goldbaum come?

Mr. ELKINS. To Portland, Oreg.

Mr. KENNEDY. Did you call Hy Goldbaum?

Mr. ELKINS. I did.

Mr. KENNEDY. And you asked him to come?

Mr. ELKINS. I first talked to Les Beckman, and Les Beckman called him, and I don't remember whether Hy called me or I called Hy, but it was my wish to straighten the thing out, if I could. Hy came to Portland, and we went to Seattle together.

Mr. KENNEDY. That is the rest that has been stated before?

Mr. ELKINS. Yes, sir.

Mr. KENNEDY. I just want to cover one more matter before I finish. This was on the question of the chief of police. You understood from the conversations that you listened to in the room, as well as their own conversations with you, that they wanted to get rid of the chief of police?

Mr. ELKINS. That is right.

Mr. KENNEDY. And that they ultimately were going to send Clyde Crosby to the mayor?

Mr. ELKINS. That is correct.

Mr. KENNEDY. It was just a question of what excuse would be used when they discussed this matter with the mayor; is that right?

Mr. ELKINS. That is right. They felt no politician could turn down their support, so they were trying to figure a way or something that the mayor could hang his hat on to remove the chief. It didn't occur to them that he might be honest or not go along with them.

(At this point, Senator McCarthy withdrew from the hearing room.)

Mr. KENNEDY. Was Langley also in on a good number of those conversations?

Mr. ELKINS. That is right.

Mr. KENNEDY. Was he giving suggestions as to how to get rid of the two?

Mr. ELKINS. That is right.

Mr. KENNEDY. They were all recorded?

Mr. ELKINS. He would tell about writing a letter about the gypsies.

Mr. KENNEDY. What was that; the gypsies that were in the city of Portland?

Mr. ELKINS. That is correct. They were living in business places around, with their doors open, and I think it was where they shouldn't live.

Mr. KENNEDY. So there was talk about writing, about getting in touch with the mayor, and complaining that the chief of police was not getting rid of the gypsies?

Mr. ELKINS. That is right.

Mr. KENNEDY. So they discussed that possibility?

Mr. ELKINS. That is right. And they decided, he and McLaughlin decided, that that wasn't a good idea, to put it in writing. He thought he should talk to them in person or on the phone.

Mr. KENNEDY. Did you ultimately find out or learn whether he had gone to the chief or the mayor of the city?

Mr. ELKINS. No; I would have no way of finding out whether he talked to him about the gypsies or not.

Mr. KENNEDY. At least, you know he discussed the matter?

Mr. ELKINS. That is correct.

Mr. KENNEDY. Mr. Chairman, we have an affidavit from the ex-mayor of Portland, Mr. Fred L. Peterson.

The CHAIRMAN. It may be read, if it is connected with the matter which the witness is testifying to.

Mr. KENNEDY. This will be the last matter this afternoon, as far as I am concerned.

The CHAIRMAN. Do you need Mr. Elkins?

Mr. KENNEDY. Yes; we need Mr. Elkins for one very small bit of testimony tomorrow.

The CHAIRMAN. Do you need him any more this afternoon?

Mr. KENNEDY. No; I do not.

The CHAIRMAN. You may stand aside for the moment.

Mr. KENNEDY (reading):

I, Fred L. Peterson, make the following statement of my own free will, without promise of any favor or promise of immunity, in the presence of Alphonse Calabrese who has identified himself to me as staff investigator of the United States Senate Committee Investigating Improper Activities in the Labor and Management Fields.

I reside at 3157 Northeast Irving Street, Portland, Oreg. I served as mayor of the city of Portland from January 1, 1953, to and including December 31, 1956. I would like to state that during the 1952 primaries and general election the central labor council, AFL, did not endorse either the incumbent mayor nor me for mayor. I served as a commissioner of the city of Portland from January 1, 1941, to and including December 31, 1952. Prior to that time I owned and operated a retail drugstore from October 1, 1919, until I entered public office in 1941.

During the period that I served as mayor, I made the acquaintance of Clyde C. Crosby, international representative of the teamsters union in the State of Oregon through an introduction by John Sweeney, Crosby's predecessor. During the latter part of December of 1954, Mr. Clyde Crosby called me and asked me if I could go to lunch with him because he had someone he wanted me to meet. I met him at the Teamsters Building at Northeast Third and Holladay and went in his car to the Prime Rib Restaurant. At this time he introduced me to Tom Maloney and stated that this was the man that he wanted me to meet.

While at lunch at the Prime Rib Restaurant, Crosby explained to me that Mr. Maloney was sent to Portland because he was the one who had handled their, the teamsters, part of the Langley campaign and that John Sweeney wanted him to help me in my election which was forthcoming in May of 1956. I said I had a campaign manager who handled my campaign when I was elected mayor and I had used him for free advice and if I ran for reelection, he was the one who would be my campaign manager. Crosby then said, "We don't want to take over your campaign manager's job but Mr. Maloney understands public relations and policies and he will give you suggestions so that you can build up and be elected at the primary."

After this first meeting Tom Maloney would either come to my office or call me and gratuitously offer me advice on how to handle civic problems as they arose. I have always been a friend of labor and felt that Mr. Maloney's offer of assistance was a manifestation of this friendship with labor. I received a letter dated Friday, June 17, 1955, a copy of which is attached to this statement, addressed to me as "Dear Mayor" and signed "Tom Maloney" in which he advised that he would like to see me elected in the primaries and that if we put our minds to it, we could make it.

The CHAIRMAN. The letter may now be read.

Mr. KENNEDY. It is dated Friday, June 17, 1955.

DEAR MAYOR: I don't know if you got one of these yet but you should file one away. I would like to see you elected in the Primaries and I know if we put our minds to it we can make it. We got a good newspaperman in our Building working for us and I think I Am sure that Crosby and Sweeney will be all for it. That is mailing out material to every one of these little papers like the Italian Paper, the Jewish paper, and I know I can get the Greek Vote for you as I got it for Langley after they indorsed McCort. The Catholic Vote Mark Holmes is the Boy for that one. And them nondrinkers, whatever the hell you call them, is got a 5,000 Vote and I will have Bill go after them for you as they Voted for Bill. Am going to come right to the point with you, I admire you because you got GUTS. Anytime you want me or need me you can reach me through Clyde or Atwater 4551.

(Signed) TOM MALONEY.

The CHAIRMAN. Now go back and finish reading the affidavit.

Mr. KENNEDY. It is as follows:

He also stated that he had a good newspaperman in their building and he was sure that Crosby and Sweeney would be all for it. The Maloney letter concluded, "Am going to come right to the point with you, I admire you because you got GUTS. Anytime you want me or need me you can reach me through Clyde or Atwater 4551." Upon receipt of this letter I called Maloney at Atwater 4551 and thanked him for this letter and then asked him who the newspaperman was that he mentioned in this letter. Maloney told me that the man he had in mind was Ron Moxness who was editor for the official newspaper of the teamsters union in the State of Oregon.

After this, during the last few days of July or the first of August 1955, Maloney came to my office and questioned me about allowing David Nance and Bob Seegar to operate in a Negro district located in the north side of Portland. Maloney said that he would need these two operators as they controlled the Negro Democratic votes in their area. Although Maloney was not specific in the way of what operations were to be allowed, I know what Maloney meant, namely, gambling and bootlegging joints, and I told him "No." Maloney then asked me if I would have any objections if he talked to Chief James Purcell and I stated that I had no objection and that I would want the chief of police to talk to anyone who desired to talk to him. Maloney then asked me to call the chief of police to arrange a meeting. I told him in no uncertain terms that I would not call the chief of police to make arrangements for an appointment. On another occasion Tom Maloney came to my office and told me that William Langley, the district attorney, and James Purcell, the chief of police, were not getting along and asked me to bring the two together at a meeting. He stated that after this meeting was arranged, I should stay there for a few minutes and then excuse myself and then Maloney would come into the meeting and talk to them. I again told Maloney that I would not be a party to that kind of a meeting.

Sometime in December of 1955 Clyde Crosby came to my office and stated that he had an official message to deliver to me. He said, "I hate to bring this message to you but it is an official message and I have to give it to you. Brewster, Sweeney, and I talked this over and I have been instructed to tell you that if Purcell continues to be chief of police, we will have to find another candidate for mayor to support."

During this discussion I asked Clyde Crosby for the reason that this action should be taken, and he stated that a man had been beat up, and he also said that a man had been innocently arrested for vagrancy. I told him if he would give me the details I would look into the matter and take appropriate action. He stated that I could easily find out, and that the teamsters' attorney, Jim Landye, was handling the case for the individual who had been arrested on the vagrancy charge. I told Crosby that I would not do anything about the removal of the chief of police whom I had appointed unless there was a reason for his removal, and Crosby told me to think it over or they would find another candidate to support for mayor. I told Crosby that he would get his answer when he found out whether or not I removed the chief of police. I checked with the chief of police about the matters which Crosby mentioned and was satisfied that there was no wrongdoing. Consequently, I did not accede to Crosby's wishes.

I would like to state that I appointed Clyde Crosby on the exposition recreation commission, which was a body of five individuals representing a cross-section of the city of Portland. Mr. Crosby was picked as a representative for labor due to the fact that I had made inquiries amongst labor people who indicated that he was one of the most popular and apparently one of the biggest men in the labor movement in the Portland area. This appointment was made in June of 1954.

I have read the above statement, which consists of four typewritten pages, have initialed each correction therein on each page, and state that to the best of my knowledge everything therein is true and correct.

(Signed) FRED L. PETERSON.

Signed in the presence of:

(Signed) A. F. CALABRESE,
March 2, 1957.

Sworn to and subscribed before me this 2d day of March 1957.

(Signed) CATHERINE HAMPSON,
Notary Public.

My commission expires December 14, 1957.

The CHAIRMAN. If there is nothing further—

Mr. KENNEDY. I would like to add, Mr. Chairman, that the teamsters in that election backed Mr. Peterson's opponent, Mr. Terry Schrank.

The CHAIRMAN. Before the committee recesses—

Mr. KENNEDY. Mr. Chairman, also I have this check that you were asking for yesterday, dealing with the E. & R., for \$668, and the letter that goes along with it.

The CHAIRMAN. A photostatic copy?

Mr. KENNEDY. A photostatic copy of the check.

The CHAIRMAN. The check has been sworn to already?

Mr. KENNEDY. No. It was mentioned yesterday. This is the check that went to Joseph McLaughlin after that E. & R. business broke up.

The CHAIRMAN. It may be placed in the record.

Mr. KENNEDY. I think Mr. Elkins can identify it.

The CHAIRMAN. Mr. Elkins?

Mr. KENNEDY. Is Mr. Elkins still here?

The CHAIRMAN. While the witness is coming forward, the Chair will make this announcement. On Monday of this week, I believe, one of the members of the committee in some remarks on the floor of the Senate, stated he had been absent from the Senate Chamber, I believe, on last Saturday or last Friday, I am not sure, one day, because he was

making an investigation of a member of the staff of this committee, that he had had some reports about. When the committee met on Tuesday morning in an executive session, that matter was discussed, with the result that the Chair appointed a subcommittee of two members to make a further check on this member of the staff. I do not recall that I have seen anything in the press about it. Maybe there was something in the press. I am sure it has been in the press somewhere, and, therefore, the Chair wishes to clear the matter up.

The members appointed were Senator McNamara and Senator Mundt. They have pursued their duties in this respect, and have today advised the Chair that the information about this member of the staff was not such as to cause them any disturbance; that they have satisfied themselves that the member of the staff is all right, and that he should be continued as a member of the staff.

I have discussed the matter with Senator McCarthy who has received from the two subcommittee members the same information that the Chair has, and Senator McCarthy says he is satisfied now that it is all right.

As a further precaution, however, the information we had from one source was not quite complete; I have requested the FBI to make a further check and to report to us whatever else it may find.

I may say as far as the Chair is concerned, I have made a pretty thorough inquiry about each member of the staff that we have employed. These inquiries have to be made somewhat hurriedly, of course, because we do not take very long, and we have to set up the staff in order to organize the committee and get functioning. But this committee will, at all times, scrutinize the staff very closely, look into their past record, insofar as we have the opportunity to do so, and sufficiently so at all times to satisfy ourselves that those whom we are employing are people of character, of integrity, of ability, and that they will also work.

Senator Mundt?

Senator MUNDT. I simply wish to say, Mr. Chairman, that what the Chair has said is exactly, of course, 100 percent correct. But I thought we should have in the record the name of the staff member. It is Mr. Robert W. Greene.

The CHAIRMAN. I am sorry I failed to mention his name.. Thank you.

Is there anything further?

With respect to the meeting of the committee tomorrow, we will have to occupy room 357 for the morning session. We are hopeful, however, that we can have this room for the afternoon session for at least an hour and a half. We will have to determine that later.

Is there anything further?

(Members present at this point: The chairman and Senator Mundt.)

TESTIMONY OF JAMES B. ELKINS—Resumed

The CHAIRMAN. Mr. Elkins, there is presented to you a document. Will you examine it and identify it, please?

Mr. ELKINS. Yes, sir. That is a copy of what I got here. Yes, sir; that is right.

The CHAIRMAN. Will you identify it?

Speak a little louder.

Mr. KENNEDY. Tell him what it is. What is it?

Mr. ELKINS. That is a cashier's check that I gave to Joe McLaughlin, of Seattle, on the E. & R. refund on a piece of property which was sold, that he had options on.

The CHAIRMAN. You testified about the check yesterday, but you did not have a photostatic copy of it?

Mr. ELKINS. No, sir; I did not.

The CHAIRMAN. That is a photostatic copy of the check you testified about yesterday?

Mr. ELKINS. That is correct, sir.

The CHAIRMAN. It may be made exhibit No. 40 for the record.

(The document referred to was marked "Exhibit No. 40" for reference and will be found in the appendix on pp. 754-755.)

The CHAIRMAN. The committee will stand in recess until 10 o'clock in the morning.

(Members present at the taking of the recess: The chairman and Senator Mundt.)

(Whereupon, at 3:40 p. m., the committee recessed, to reconvene at 10 a. m. Thursday, March 7, 1957.)

INVESTIGATION OF IMPROPER ACTIVITIES IN THE LABOR OR MANAGEMENT FIELD

THURSDAY, MARCH 7, 1957

UNITED STATES SENATE,
SELECT COMMITTEE ON IMPROPER ACTIVITIES
IN THE LABOR OR MANAGEMENT FIELD,
Washington, D. C.

The select committee met at 10 a. m., pursuant to Senate Resolution 74, agreed to January 30, 1957, in room 357 of the Senate Office Building, Senator John L. McClellan (chairman of the select committee) presiding.

Present: Senator John L. McClellan, Democrat, Arkansas; Senator Irving M. Ives, Republican, New York; Senator Sam J. Ervin, Jr., Democrat, North Carolina; Senator Pat McNamara, Democrat, Michigan; Senator Joseph R. McCarthy, Republican, Wisconsin; Senator Karl E. Mundt, Republican, South Dakota; Senator Barry Goldwater, Republican, Arizona.

Also present: Robert F. Kennedy, chief counsel to the select committee; Jerome Adlerman, assistant counsel; Alphonse F. Calabrese, investigator; Ruth Young Watt, chief clerk.

The CHAIRMAN. The committee will be in order.

(Present at the convening of the hearing were Senators McClellan, Ives, McNamara, McCarthy, and Goldwater.)

The CHAIRMAN. We will proceed.

Mr. KENNEDY. I will call Mr. Elkins.

The CHAIRMAN. Mr. Elkins, will you come around, please.

TESTIMONY OF JAMES B. ELKINS—Resumed

Senator McCARTHY. I had a few questions I would like to ask.

Mr. Elkins, I, as you know, have been a bit disturbed that we are using, and so far this is not criticism of counsel, almost exclusively underworld figures to indict the teamsters union. I was convinced by your statement both in executive session and in public session that you had nothing to do with the houses.

Mr. ELKINS. That is correct, sir.

Senator McCARTHY. Since then, I have received a sizable number of calls from Portland to the effect that you had a very active part in their operations for some years, and I just wonder now while you are under oath, whether you would want to confirm or deny that you did have anything to do with the operation of the houses of prostitution.

Mr. ELKINS. I did not, sir.

Senator McCARTHY. You had nothing to do whatsoever?

Mr. ELKINS. None whatsoever.

Senator McNAMARA. May I interrupt to raise a point that I think is important here? This committee has not had this witness in executive session.

Senator McCARTHY. I think that you are wrong. This witness has been in executive session.

Senator McNAMARA. This committee has not had this witness in executive session. I repeat that.

Senator McCARTHY. If I may differ with you, we have had him in executive session. It was the Investigating Subcommittee, and all of the members of this committee were invited by the chairman to attend, so that he was in executive session.

Senator McNAMARA. Not of this committee. That was in executive session of another committee. This witness has given all of his testimony in public, and I want the record to show that.

Senator McCARTHY. I think that you are wrong, Pat.

Senator McNAMARA. I am not wrong.

Senator McCARTHY. I think you are wrong. This witness has been in executive session and he has testified under oath in executive session and if I am wrong I think the Chair will correct me. The Chair, I believe, invited all of the members of this committee to attend that session so that he was in executive session.

I do not want to waste time quibbling, but, Pat, may I have your attention. I do not want to waste time quibbling about which committee administered the oath. I merely mention the fact that he was in executive session.

Senator McNAMARA. I don't want to quibble either, but I insist you are wrong.

The CHAIRMAN. All right; the Chair will make this statement for the record. This witness testified in executive session before the Senate Permanent Investigating Subcommittee. He has not testified in executive session before this committee.

At the time that he testified before the Investigating Subcommittee, as I recall, and I think the record will show that, the Chair invited members of the Labor and Welfare Committee of the Senate to be present.

Whether each member got the invitation or not, the Chair is not advised. I think there were one or two of them present when this witness testified, as I recall. There were one or two members. I believe Senator Goldwater was present.

Senator GOLDWATER. Not this particular one, I don't think.

The CHAIRMAN. I do not remember who was present. Anyhow, he is now testifying in public and he is testifying before this committee, and we will proceed to take further evidence from him.

Proceed.

Senator McCARTHY. I think that you have answered the question. You say that you have never had anything to do whatsoever with it?

Mr. ELKINS. No, sir.

Senator McCARTHY. With the houses of prostitution?

Mr. ELKINS. That is correct. I testified in executive session, and I told the truth and I am still telling the truth. I said I was under indictment for something to do with prostitution, but that I had not had anything to do with it.

Senator McCARTHY. I think this has been gone into and I do not want to cover old ground. Under how many indictments are you now; Federal and State?

Mr. ELKINS. I think about 24; it is more or less. It is 20 or better.

Senator McCARTHY. Around 24; more or less?

Mr. ELKINS. More or less.

Senator McCARTHY. Could you give us roughly how many of those are Federal and how many are State?

Mr. ELKINS. There are nine Federal.

Senator McCARTHY. And the others are State?

Mr. ELKINS. That is correct.

Senator McCARTHY. Could you tell us who got the Federal indictments, and what United States attorney?

Mr. ELKINS. Mr. Luckey, Ed Luckey.

Senator McCARTHY. How do you spell that?

Mr. ELKINS. Well, L-u-c-k-e-y; I believe that is right.

Senator McCARTHY. And who was the State man who got the indictments?

Mr. ELKINS. Mr. Thornton.

Senator McCARTHY. Mr. Thornton?

Mr. ELKINS. The attorney general; that is correct. T-h-o-r-n-t-o-n.

Senator McCARTHY. Mr. Langley did not get any of those indictments?

Mr. ELKINS. In the State; yes, he did.

Senator McCARTHY. Mr. Langley did?

Mr. ELKINS. That is correct.

Senator McCARTHY. He got some of them?

Mr. ELKINS. You mean on me?

Senator McCARTHY. Yes.

Mr. ELKINS. He got one; yes.

Senator McCARTHY. He got one?

Mr. ELKINS. I think, sir, that the record should show that it was, he got it on an illegal search and seizure.

Senator McCARTHY. So that the record is straight, you had no arrangement with taxicab drivers at any time that they were to bring customers to any particular houses of ill fame?

Mr. ELKINS. Definitely not, sir.

Senator McCARTHY. No arrangement, whatsoever?

Mr. ELKINS. Certainly not.

Senator McCARTHY. And as far as you know there was no taxicab driver beaten up because he failed to bring customers to the right house?

Mr. ELKINS. No; that is ridiculous.

Senator McCARTHY. That is definitely wrong?

Mr. ELKINS. That is definitely wrong, sir. The State police have been looking into those kind of things for 8 or 9 months and if they could find anything like that, I would have been indicted for 8 or 9 times more, probably.

Senator McCARTHY. Now, there was a chief of police. Was it Purcell?

Mr. ELKINS. Jim Purcell.

Senator McCARTHY. How closely did you and he work together, if at all?

Mr. ELKINS. We didn't work together. You mean was I paying him off, is that what you are asking, sir?

Senator McCARTHY. Either paying him off, or was there any agreement between you?

Mr. ELKINS. There was not.

Senator McCARTHY. And you never made a payoff?

Mr. ELKINS. No, sir; I did not.

Senator McCARTHY. And why was Purcell removed?

Mr. ELKINS. Well, the change of administration.

Senator McCARTHY. I see. So when the mayor changed, the chief was changed, also?

Mr. ELKINS. That is correct.

Senator McCARTHY. All right, thank you.

Mr. KENNEDY. I might say, Senator McCarthy, that in that connection, we asked Ann Thompson who was a madam from Seattle and runs a number of houses, whether Mr. Elkins was known to receive any money from houses of prostitution and she said that she had never heard of him being associated with that.

Helen Hardy, when she was here in executive session, was asked the same question and replied in the same manner. We have made a check and, as far as we can find, we cannot find that he ever received any money from houses of prostitution or from madams or from prostitutes.

Senator McCARTHY. Could I ask counsel one question not having to do with this witness? Has the lie detector test been made yet on, what was his name?

Mr. KENNEDY. Zusman. Yes; it has.

Senator McCARTHY. It has?

Mr. KENNEDY. Yes.

Senator McCARTHY. And Helen—whatever her name was.

Mr. KENNEDY. Hardy.

Senator McCARTHY. Did she refuse to have one?

Mr. KENNEDY. She had left before this question came up.

Senator McCARTHY. Has she been contacted to see if she would submit to a lie detector test?

Mr. KENNEDY. No, she has not.

Senator McCARTHY. I might say, and I know counsel cannot do everything at one time, and he has a tremendous load of work as the chairman has, but I believe if one party to a dispute submits to a lie detector, the other party should also be asked to submit. It certainly bears upon their veracity and I would request that this lady, Helen, be asked if she will also submit to a lie detector.

(At this point in the proceedings, Senator Mundt entered the hearing room.)

The CHAIRMAN. The Chair will answer by saying that he made that decision yesterday and so ordered that she be given the same opportunity that this witness was given.

The Senator is eminently correct, that the pressure of this work is such that the staff cannot do everything at once. We were occupied all of yesterday. She will be contacted by telephone or telegraph and given the same opportunity and be urged to accept.

Senator McCARTHY. I thank the Chair.

The CHAIRMAN. Proceed.

Senator McCARTHY. I have no further question of the witness.

Senator MUNDT. While we are on the subject of the lie detector test, it has been taken. What happens next? Do we find out what the results were?

The CHAIRMAN. The Chair announced yesterday that when the results were made available to him they would be made part of this public record.

Therefore, whatever it is, and I have not received it and we have not received it, when it is received, as soon as the Chair can look at it and provide opportunity to other members of the committee to see it, it will be the Chair's purpose unless he is overruled by the committee to make it a part of the public record.

(The information referred to appears on p. 629.)

Senator McCARTHY. Could I ask one further question? As a circuit judge, I had a great deal of confidence in certain lie detectors, for example, the Keeler Institute in Chicago. My question is, and I think Bob could answer this: Do we have a really good, reputable outfit to conduct tests here in Washington now?

The CHAIRMAN. I do not know. They are being paid by the taxpayers money, and I hope they are as good as other agencies, or comparably so, at least, and I do not know. It is the Secret Service. I hope they are good.

Senator IVES. Before you go any further, I think it should be brought out for the record that thus far, at this very moment, there have been no witnesses heard in executive session by this committee, itself.

The CHAIRMAN. I think we have the record straight. Now, let us proceed.

Senator McCARTHY. To further clarify the record, could I make it clear that the Investigating Subcommittee, and 4 or 5 members of this committee are part of the Investigating Subcommittee, that is 4 of the 8 members, did hear a sizable number of witnesses in executive session on this subject we are delving into now, and that evidence has all been made available to this committee so that we have that executive session testimony.

The CHAIRMAN. That is correct. May the Chair make this statement?

I would like to proceed, but under the rules of the Investigating Subcommittee, the Chair cannot of his own order, call public hearings. Therefore, it is necessary often, and it is proper to do so, to have some testimony in executive session so that other members of the committee may determine in their own minds, whether the information that they have and the evidence that can be produced warrants public hearings.

That rule does not apply to this committee, because it is set up for a specific purpose. That purpose envisions public hearings. Therefore, the Chair called these public hearings and that is what we are now in the process of doing.

Mr. KENNEDY. Mr. Elkins, you discussed yesterday, the fact that you were making payments to Mr. Maloney and McLaughlin, is that correct?

Mr. ELKINS. That is correct.

Mr. KENNEDY. And that you put a tape recorder in their room to find out what they were discussing during this period of time?

Mr. ELKINS. That is correct.

Mr. KENNEDY. Did you find out that they were dissatisfied with the amount of money that you were turning over to them?

Mr. ELKINS. I did, yes, sir.

Mr. KENNEDY. Now, during this period of time, one of the joints that you were operating was the Kenton place, in the Kenton district?

Mr. ELKINS. 8212 Denver Avenue, North Denver Avenue, yes, sir.

Mr. KENNEDY. That was run by a Mr. Bennett; is that right?

Mr. ELKINS. That is correct, sir.

Mr. KENNEDY. And it was called the 8212 Club?

Mr. ELKINS. That is correct.

Mr. KENNEDY. And it was in the Kenton district of Portland?

Mr. ELKINS. That is correct, sir.

The CHAIRMAN. Does the Chair understand that was your club and you owned it and you were operating it or having him operate it for you?

Mr. ELKINS. No. I had an interest in it; yes, sir.

The CHAIRMAN. You had an interest in it, but Bennett was operating it?

Mr. ELKINS. That is correct, sir.

Mr. KENNEDY. This is one of the clubs that you were making payments to Maloney and McLaughlin for?

Mr. ELKINS. That is correct, sir.

Mr. KENNEDY. And you made certain arrangements so that that club could remain open; is that right?

Mr. ELKINS. To the best of my ability. It didn't do a very good job of it.

Mr. KENNEDY. And the necessary arrangements had been made?

Mr. ELKINS. That is right, sir.

Mr. KENNEDY. Did you, in hearing the conversation that was being carried on in your room, learn that Mr. Maloney and Mr. McLaughlin were dissatisfied with the amount of money that you were bringing in from that particular place?

Mr. ELKINS. That is correct, sir. I believe they sent Mr. Plotkin out to check to see what he could find out.

Mr. KENNEDY. You said there was a feeling you were holding some of the money back.

Mr. ELKINS. That is right, and I believe Mr. Plotkin told them that he didn't think they were doing so well. Mr. Plotkin told Mr. Maloney that, according to his observation when he went out to the Kenton Club, he didn't think it was doing too well financially.

Mr. KENNEDY. Now, you had only turned over about \$312 or \$314 from that place?

Mr. ELKINS. I think that is correct.

Mr. KENNEDY. Did you learn that Mr. Maloney contacted Mr. Kiehl, Mr. Ray Kiehl?

Mr. ELKINS. That is what I heard Mr. Maloney say.

Mr. KENNEDY. Now, Mr. Ray Kiehl was the campaign manager of the sheriff; is that right?

Mr. ELKINS. That is correct.

Mr. KENNEDY. That is Mr. Schrunk?

Mr. ELKINS. That is right.

Mr. KENNEDY. Mr. Terry Schrunk later ran for mayor against Mr. Peterson?

Mr. ELKINS. That is correct.

Mr. KENNEDY. And he won in the last election; is that right?

Mr. ELKINS. That is correct.

Mr. KENNEDY. And he is presently mayor of Portland?

Mr. ELKINS. That is correct, sir.

Mr. KENNEDY. Did you learn that Mr. Maloney was suggesting to Mr. Kiehl that Mr. Schrunk raided his place or closed it up?

Mr. ELKINS. That is right.

The CHAIRMAN. Mr. Elkins, we do not have the microphone system here this morning and you will have to speak a little louder. What you are speaking into there is radio and television and so, will you speak a little louder so that we can hear you?

Mr. ELKINS. All right.

Mr. KENNEDY. This S212 Club, was it ultimately raided?

Mr. ELKINS. I don't know if you would call it raided. On the first part of September—

Mr. KENNEDY. The first part of September of what year?

Mr. ELKINS. 1955, that is correct. The sheriff's office showed up there. The 2 deputy sheriffs went in the Kenton Club and 1 stood by the door and 1 went to the game and watched the game a little bit, and finally, Mr. Bennett went down and talked to one of them and they told him the sheriff is downstairs and wants to talk to him.

Mr. KENNEDY. What is that? You are going to have to speak up?

Mr. ELKINS. One of the deputies told Mr. Bennett that the sheriff was downstairs and suggested that he wanted to see Mr. Bennett, that Mr. Schrunk would like to talk to Mr. Bennett.

Mr. KENNEDY. Then what happened? Were you there?

Mr. ELKINS. I was not.

Mr. KENNEDY. Was this what has been related to you?

Mr. ELKINS. That is correct.

Mr. KENNEDY. This is completely hearsay on your part?

Mr. ELKINS. That is right.

Mr. KENNEDY. Now, go ahead with what you were told.

Mr. ELKINS. That is all, that Mr. Bennett went down and talked to Mr. Schrunk, and Mr. Shrunck told him that he was going to arrest everybody that came out of the place.

Mr. KENNEDY. Mr. Shrunck told Mr. Bennett that he was going to arrest everyone that came out of the place?

Mr. ELKINS. I believe that is drunks and juveniles. As soon as they got one car filled up, they would back another car up.

Mr. KENNEDY. And take everybody away?

Mr. ELKINS. That is right.

Mr. KENNEDY. Go ahead.

Mr. ELKINS. But he had some kind of an agreement with Mr. Schrunk, and that didn't happen.

Mr. KENNEDY. Bennett made an agreement with Mr. Schrunk, and that did not happen?

Mr. ELKINS. I believe that is correct.

Mr. KENNEDY. Now, they took away 3 or 4 drunks.

Mr. ELKINS. I think they forced their way. They took them away and fined them \$10 a piece.

Mr. KENNEDY. But nothing else happened, is that right?

Mr. ELKINS. That's all.

Mr. KENNEDY. You closed the place voluntarily?

Mr. ELKINS. Yes. I didn't, Bennett closed it voluntarily.

Mr. KENNEDY. And moved to a different place?

Mr. ELKINS. That's correct.

Mr. KENNEDY. But the place was not abated or any action taken against the place, and nobody was arrested beyond the 3 or 4 people; is that right?

Mr. ELKINS. That is correct.

Mr. KENNEDY. Now, that was 3 or 4 drunks?

Mr. ELKINS. Yes, sir.

Mr. KENNEDY. What did you learn, or what were you told by Mr. Bennett as to what agreement had been made?

Mr. ELKINS. Well, I was told by Mr. Bennett that he didn't want to testify before the grand jury because he had given Mr. Schrunk some money.

Mr. KENNEDY. Did he ever tell you how much money he had given Mr. Schrunk?

Mr. ELKINS. Yes. He was short in the bankroll and he said he had given him \$500.

Mr. KENNEDY. Now, explain what the bankroll is, and you put in \$1,500 to finance this operation?

Mr. ELKINS. That is right. I give it to the bookkeeper and she gives it to the different people.

Mr. KENNEDY. What was the bookkeeper's name?

Mr. ELKINS. Laura Stone.

Mr. KENNEDY. You gave the \$1,500 to Laura Stone?

Mr. ELKINS. I believe that is correct, sir.

Mr. KENNEDY. And then she in turn, turns that over?

Mr. ELKINS. When a place closes, they check the bankroll back in to her; that is right.

Mr. KENNEDY. When the place closes up, \$1,500 is to be returned to you; is that right?

Mr. ELKINS. Yes; and put in the safe until such time as they need it again; yes, sir.

Mr. KENNEDY. Now, what did you hear from your bookkeeper, Laura Stone?

Mr. ELKINS. That there was \$500 short in the bank roll.

Mr. KENNEDY. You were \$500 short?

Mr. ELKINS. Yes, sir.

Mr. KENNEDY. Bennett could only return \$1,000 instead of \$1,500?

Mr. ELKINS. That is right.

Mr. KENNEDY. What about the possibility that he just took the \$500 and put it in his pocket?

Mr. ELKINS. I don't believe he would do that.

Mr. KENNEDY. Did he ever give any explanation to you?

Mr. ELKINS. Yes; he gave me an explanation.

Mr. KENNEDY. First, did he tell Laura Stone where the \$500 went?

Mr. ELKINS. He tried to tell her, but she told him he would have to take that up with me.

Mr. KENNEDY. And then did he ever tell you?

Mr. ELKINS. Yes; he told me.

Mr. KENNEDY. What did he tell you?

Mr. ELKINS. He told me he gave it to Mr. Schrunk, that it was better to give him that than to pay \$1,500 or \$2,000 for having the place pinched.

Mr. KENNEDY. It was better to pay the \$500 then, than to pay \$1,500 or \$2,000 at a later time?

Mr. ELKINS. That is right.

Mr. KENNEDY. That is correct?

Mr. ELKINS. That is correct.

Mr. KENNEDY. Mr. Elkins, did Mr. Bennett ever tell you how he paid the money?

Mr. ELKINS. I didn't ask him how he paid the money.

Mr. KENNEDY. What did you say when he told you that?

Mr. ELKINS. I said he would have to make it good.

Mr. KENNEDY. That he would have to make it good?

Mr. ELKINS. Yes, sir; it wasn't necessary.

Mr. KENNEDY. It had not been necessary to pay the \$500?

Mr. ELKINS. I didn't think he would have pinched it anyway.

Mr. KENNEDY. That he would not have done it anyway?

Mr. ELKINS. That is what I told him.

Senator MUNDT. What made you think that it would not be pinched anyway?

Mr. ELKINS. Well, several things made me think it. I didn't know at the time that Mr. Maloney had asked him.

Senator McCARTHY. I can't hear you.

Mr. ELKINS. I didn't know at the time that Mr. Maloney had asked him to stir it up, and I had been pretty liberal as far as looking after things.

Senator MUNDT. Can you interpret what that means?

Mr. ELKINS. Whenever they would have a campaign, or anything, I would give a case of whisky or a donation, money, to it.

Senator MUNDT. You mean you had supported Schrunk's candidacy?

Mr. ELKINS. It wasn't for that purpose, sir. It was for a convention or what have you. They would come around and get something.

Senator MUNDT. You rather felt that Schrunk was obligated to you to the point where he would not pinch a joint in which you were interested; is that right?

Mr. ELKINS. I was told he wouldn't bother that particular place if I wanted to reopen.

Senator MUNDT. Were you told by Schrunk?

Mr. ELKINS. By his deputy.

Senator MUNDT. Can you name the deputy?

Mr. ELKINS. God; I've got everybody in trouble now.

The CHAIRMAN. I think that you should.

Mr. ELKINS. Mr. Wally Wallen.

Senator MUNDT. He told you that, and so as a consequence you felt that Bennett had spent \$500 for protection which you had already provided for yourself through some other tactics?

Mr. ELKINS. That is correct.

Senator MUNDT. That is all.

The CHAIRMAN. Is there anything further? Are there any other questions?

You may stand aside for the present.

We will call Mr. Bennett.

Senator McCARTHY. Could I ask one question of Mr. Elkins before you leave. This may have been gone into during the few minutes

I was absent yesterday; but did you have any conversation personally with Mr. Schrunk?

Mr. ELKINS. No; I did not.

Senator McCARTHY. With his campaign manager?

Mr. ELKINS. No; it wasn't the campaign manager. It was the deputy sheriff.

Senator McCARTHY. It was his deputy?

Mr. ELKINS. That is right.

Senator McCARTHY. Thank you.

(Present at this point in the proceedings were Senators McClellan, Ives, McNamara, McCarthy, Mundt, and Goldwater.)

The CHAIRMAN. You do solemnly swear that the evidence you shall give before this Senate select committee shall be the truth, the whole truth, and nothing but the truth, so help you God?

Mr. BENNETT. I do.

TESTIMONY OF CLIFFORD O. BENNETT, ACCOMPANIED BY HIS COUNSEL, JOHN T. BONNER

The CHAIRMAN. Be seated and state your name, your place of residence, and your business or occupation.

Mr. BENNETT. Clifford O. Bennett, Post Office Box 411, Great Falls, Mont.

The CHAIRMAN. Let us have the best order possible. It is difficult for the committee to hear.

I did not understand what your present business was.

(The witness consulted with his counsel.)

Mr. BENNETT. I decline to answer that.

Senator MUNDT. On what basis do you decline to answer?

Mr. BENNETT. I decline to answer that.

Senator MUNDT. Just because you want to be in contempt of Congress? You say that you are not going to answer. Is that your position?

Mr. BENNETT. I decline to answer that.

The CHAIRMAN. The Chair's attention was diverted for a moment. I did not understand his answer.

Senator MUNDT. He said he declined to answer, and I was asking him on what basis, and he said simply because he declined to answer. I am asking him if he has any other reason.

The CHAIRMAN. You have your counsel present, have you?

(The witness consulted with his counsel.)

The CHAIRMAN. Will you answer that?

Mr. BENNETT. Yes, sir.

The CHAIRMAN. You will answer that?

Mr. BENNETT. Yes, sir.

The CHAIRMAN. Will you permit your counsel to state his name and residence, please, to the committee?

Mr. BENNETT. Yes, sir.

The CHAIRMAN. Thank you. Mr. Counsel, will you identify yourself?

Mr. BONNER. My name is John Bonner, a lawyer here in Washington.

The CHAIRMAN. Thank you, sir.

Senator MUNDT. I am back to my question. You say you decline to answer and you just say you will not answer.

Mr. BENNETT. I decline to answer that.

Senator MUNDT. This witness obviously is in contempt of the committee, if that is his position.

The CHAIRMAN. Let us move him a little further in contempt then, if that is going to be his position. You mean that you will not tell the committee—you are refusing to tell the committee your present occupation?

Mr. BENNETT. I decline to answer that.

The CHAIRMAN. You are ordered and directed to answer it.

(The witness consulted with his counsel.)

Mr. BONNER. I wish to confer with the client.

The CHAIRMAN. I am sure you understand the rules.

Mr. BONNER. I understand it; yes, sir.

(The witness consulted with his counsel.)

The CHAIRMAN. All right, sir, you have conferred with counsel. Will you proceed? The Chair ordered and directed you to answer the question as to your present business or occupation.

Mr. BENNETT. I decline to answer that, sir.

The CHAIRMAN. You are ordered to answer it. Do you understand you are being ordered by a committee of the United States Senate?

Mr. BENNETT. And I decline to answer it.

The CHAIRMAN. Set up and authorized to proceed in this investigation, and you are refusing to answer it?

Mr. BENNETT. I decline to answer that.

The CHAIRMAN. You were in the room, were you not, when Mr. Elkins testified, the witness just preceding you? You were in the committee room here present when he testified a moment ago; were you not?

Mr. BENNETT. I decline to answer that.

The CHAIRMAN. You are ordered and directed to answer the question.

Mr. BENNETT. I decline to answer it.

Senator McCARTHY. Do I understand he declines to answer whether he was in the committee room when the testimony was taken?

The CHAIRMAN. That is what he is doing.

Mr. BENNETT. I decline to answer it.

The CHAIRMAN. Just one moment. I want to make this record. Somebody in the committee room—was anyone here who can tell me they observed this man present in the room while Mr. Elkins was testifying? I do not know whether he was in here or not, but if he was and anyone knows it, I want them to step forward and I want to swear them and prove that he was here.

Senator McCARTHY. The police officer can so testify. If necessary, I will so testify.

The CHAIRMAN. Come around, Mr. Policeman. I am going to make a record. Be sworn, sir.

Do you solemnly swear that the evidence you shall give before this Senate select committee shall be the truth, the whole truth, and nothing but the truth, so help you God?

Officer GOODALL. I do.

TESTIMONY OF JAMES L. GOODALL

The CHAIRMAN. Please have a seat. State your name and your place of residence and your present business or occupation.

Officer GOODALL. James L. Goodall, 1904 North Adams, Arlington, United States Capitol Police.

The CHAIRMAN. You are on the United States Capitol Police force?

Officer GOODALL. Yes, sir.

The CHAIRMAN. What are your present duties today? Or what is your assignment of duties? What do you have for this day?

Officer GOODALL. I am assigned to room 357 on this committee.

The CHAIRMAN. To room 357 here, the committee room in which this committee is now sitting; is that correct?

Officer GOODALL. Yes, sir.

The CHAIRMAN. You were standing at the door, and you have been standing at the door permitting people to enter the room?

Officer GOODALL. Yes, sir.

The CHAIRMAN. I ask you to look to your left and see if you recognize the man sitting next to you, and if so, state whether you have seen him before now, and where and when.

Officer GOODALL. Yes, sir. He entered this room and sat down on a back seat.

The CHAIRMAN. He entered this room: and were you here when Mr. Elkins testified a few moments ago? Were you standing at the door and observing?

Officer GOODALL. Yes, sir.

The CHAIRMAN. Was this man in the room at the time Mr. Elkins was testifying?

Officer GOODALL. Yes, sir.

The CHAIRMAN. All right. Are there any further questions?

You may stand aside; and thank you.

You may resume your seat, Mr. Counsel.

**TESTIMONY OF CLIFFORD O. BENNETT, ACCOMPANIED BY HIS
COUNSEL, JOHN T. BONNER—Resumed**

The CHAIRMAN. Do you reside in Portland, Oreg.?

(The witness consulted with his counsel.)

Mr. BONNER. Will you pardon us a moment, Senator?

(The witness consulted with his counsel.)

The CHAIRMAN. I think counsel can advise him to take the fifth amendment on everything, if he wants to do that, and we can expedite it. I am not going to tell him how to advise him, but if that is what he intends to do, let us proceed and let us get the record made.

Mr. BONNER. May he confer with me, sir?

The CHAIRMAN. Yes; he can confer with you.

(The witness conferred with his counsel.)

The CHAIRMAN. Are you going to refuse to answer all of the questions of the committee?

Mr. BENNETT. Repeat that last question.

The CHAIRMAN. Do you now reside in Portland?

Mr. BENNETT. I answered that question to start with.

The CHAIRMAN. I am asking you, Do you now reside in Portland, Oreg.?

Mr. BENNETT. May I confer with my counsel?

The CHAIRMAN. Now, the Chair is going to be a little generous, but I am not going to indulge this forever. You have been conferring with him, and that is the same question you conferred with him about a moment ago.

The question is, Do you now reside in Portland, Oreg.?

Mr. BENNETT. I live in Great Falls, Mont.

The CHAIRMAN. You do not reside in Portland now?

Mr. BENNETT. I live in Great Falls.

The CHAIRMAN. Did you formerly reside in Portland, Oreg.?

Mr. BENNETT. I decline to answer that.

The CHAIRMAN. You are ordered to answer it.

Mr. BENNETT. I decline.

The CHAIRMAN. Did you operate a club there in Portland, Oreg., known as the 8212 Club?

Mr. BENNETT. I decline to answer that.

The CHAIRMAN. You are ordered to answer the question.

Mr. BENNETT. I decline to answer it.

The CHAIRMAN. Do you know Jim Elkins who has just testified?

Mr. BENNETT. I decline to answer that.

The CHAIRMAN. You are ordered to answer it.

Senator McCARTHY. Will you speak up?

Mr. BENNETT. I decline to answer it.

The CHAIRMAN. You are ordered and directed to answer the question.

Mr. BENNETT. I decline to answer it.

The CHAIRMAN. Did you hear Jim Elkins testify here in your presence just a few moments ago?

Mr. BENNETT. I decline to answer that.

The CHAIRMAN. You are ordered and directed to answer the question.

Mr. BENNETT. I decline to answer it.

The CHAIRMAN. You heard him testify that you operated this club, the 8212 Club, and that he had an interest in that club. Is that true or false?

Mr. BENNETT. I decline to answer it.

The CHAIRMAN. You are ordered and directed to answer the question.

Mr. BENNETT. I decline to answer it.

The CHAIRMAN. You heard him testify that you told him that you gave the sheriff \$500, Sheriff Schrunk, on an occasion when he came down and arrested some drunks, that you gave it to him to keep him from raiding the club. Is that true or false?

Mr. BENNETT. I decline to answer that.

The CHAIRMAN. Are you the Bennett that he is talking about? Do you know that?

Mr. BONNER. May we confer, sir?

Senator McCARTHY. I would like to make a motion at this time. That is that we waste no more time with this witness, and that we immediately take a vote, we have a quorum here, to cite this man for contempt, and he is clearly in contempt.

I do not think that he should be allowed to come here and do what he is doing this morning, and flaunt the authority of the United States Senate. I think it is more or less of a disgrace to let him waste any more of our time.

If the Chair has no objection, I would move that this committee have him cited for contempt with no further ado.

Senator MUNDT. I second the motion, Mr. Chairman.

(Whereupon, at this point in the proceedings, the committee went into executive session. Following the executive session, the proceedings were resumed as follows:)

The CHAIRMAN. We will proceed.

Senator McCARTHY. Mr. Chairman, just to have the record straight, may I ask counsel, has it been established by other witnesses that this man was connected with improper activities in the labor movement which were investigated?

Mr. KENNEDY. This is one of the places, according—

Senator McCARTHY. May I suggest so that the witness cannot claim he does not know the purpose for which he is being called; that he listen to the counsel's statement?

Mr. KENNEDY. This is one of the places that Jim Elkins was operating, the receipts of which were being split between Tom Maloney and Joe McLaughlin. Tom Maloney and Joe McLaughlin have already been established as having their bills paid by the union during this period of time, and Tom Maloney described himself as a union organizer.

So the money from this so-called joint, was going to these people who were in the union and associated with the union. Then, we have had other evidence, of course, tying him up in other activities in the city of Portland.

Then, Mr. Schrunk is of importance to the investigation because of the testimony yesterday that the mayor of Portland said that Clyde Crosby came to him and said that he had to get rid of the chief of police or otherwise the teamsters were going to back his opponent in the coming election.

Mr. Peterson did not get rid of the chief of police and the teamsters backed Mr. Schrunk, at that time sheriff, who ran for mayor and Mr. Schrunk was elected mayor of Portland.

Senator McCARTHY. Could we have the record show, Mr. Chairman, that the witness and his counsel have been present during all of this explanation, and I would like to ask counsel whether he understands and his client understands the reason for the calling of this witness and why the questions were being propounded.

Mr. BONNER. As to why the witness was called by Mr. Kennedy, I cannot answer that question. I do not know what is in his mind.

Senator McCARTHY. Will you discuss with your client and find out whether he knows why he was called? Mr. Kennedy has explained it very clearly.

Mr. BONNER. I will ask him if he knows why Mr. Kennedy called him.

Senator McCARTHY. He is here in the room right now?

Mr. Chairman, I withdraw the question.

The CHAIRMAN. The witness will stand aside for the present.

Call the next witness, Mr. Kennedy.

(Members present at this point: The chairman, Senators Ives, McNamara, McCarthy, Mundt, and Goldwater.)

Mr. KENNEDY. Mrs. Jenkins.

Mr. Chairman, this is a picture of the 8212 Club.

The CHAIRMAN. Will you be sworn, please. Stand up.

You do solemnly swear that the evidence you shall give before this Senate select committee shall be the truth, the whole truth, and nothing but the truth, so help you God?

Mrs. JENKINS. I do.

TESTIMONY OF VIRGINIA JENKINS

The CHAIRMAN. Will you state your name, your place of residence, and your present business or occupation or employment for the committee, please.

Mrs. JENKINS. Virginia Jenkins, Contact, Nev., and I am a bartender.

The CHAIRMAN. You are a what?

Mrs. JENKINS. A bartender.

The CHAIRMAN. You are a bartender.

All right.

Mr. KENNEDY. Contact, Nev.?

Mrs. JENKINS. Yes, sir.

The CHAIRMAN. You know the matter of these hearings, you have been present and heard witnesses testify; have you not?

Mrs. JENKINS. Yes, sir.

The CHAIRMAN. You have also previously been interrogated by members of the staff of the committee?

Mrs. JENKINS. No, sir; this is my first appearance.

Mr. KENNEDY. I talked to you—

Mrs. JENKINS. Yes; I talked to Mr. Kennedy.

The CHAIRMAN. You have talked to Mr. Kennedy, the chief counsel of the committee, regarding what you may know and what you may be able to testify to?

Mrs. JENKINS. Yes, sir.

The CHAIRMAN. With that information, have you elected to testify without an attorney?

Mrs. JENKINS. Yes, sir.

The CHAIRMAN. You waive the right of counsel?

Mrs. JENKINS. Yes, sir.

The CHAIRMAN. Thank you very much.

Mr. Kennedy, you may proceed.

Mr. KENNEDY. I might say before I start questioning Mrs. Jenkins, Mr. Chairman, that we are going to follow this through chronologically as to what happened regarding the \$500 and the people that were around that evening, following it through this witness and about 6 or 7 other witnesses as to how the alleged payment was made.

Now, you were the hat-check girl at Bennett's place; you worked there, did you not, the 8212 Club?

Mrs. JENKINS. Yes, sir.

Mr. KENNEDY. You were the hat-check girl?

Mrs. JENKINS. Yes, sir.

Senator MUNDT. Was that the Mr. Bennett who preceded you on the witness stand?

Mrs. JENKINS. Yes, sir.

Mr. KENNEDY. You are sure of that?

Mrs. JENKINS. Yes, sir.

Mr. KENNEDY. Positive?

Mrs. JENKINS. Yes, sir.

Mr. KENNEDY. Mrs. Jenkins, you were there the evening that Sheriff Schrunk came by with several of his deputies?

Mrs. JENKINS. Yes, sir.

Mr. KENNEDY. Could you relate to the committee what happened that evening? You were open after hours; is that right?

Mrs. JENKINS. Yes, sir.

Mr. KENNEDY. It was about 3:30 in the morning?

Mrs. JENKINS. I would say so.

Mr. KENNEDY. Three-thirty or four in the morning. Would you tell the committee what happened?

Mrs. JENKINS. Well, two of Mr. Schrunk's deputies came up and raided it.

Mr. KENNEDY. And raided it. What did that mean?

Mrs. JENKINS. Well, they came in and one stood by the door, and the other one went around to various parts of the club, to the gambling tables, and to the bar, looking for Mr. Bennett, because he wasn't at the door when they first came in.

Senator McCARTHY. In view of the fact that there are many pictures being taken, there have always been questions created when the witness is called before a committee investigating improper activities. I understand there is no evidence whatsoever of any improper activities on the part of this young lady.

Mr. KENNEDY. None that we know of.

The CHAIRMAN. Do you have any objection to the pictures?

The Chair will trust that the photographers have gotten all the pictures they need for the present. Will you desist and let us proceed with the testimony? I would like to expedite this as much as possible.

Mr. KENNEDY. Mrs. Jenkins, one of the deputies went upstairs and the other stayed down; is that right?

Mrs. JENKINS. No. There were two deputies downstairs and one stayed by the door and the other one circled the room looking for Mr. Bennett, observing the games and the bar.

Mr. KENNEDY. Was the gambling going on at the table?

Mrs. JENKINS. Yes, sir.

Mr. KENNEDY. Games were going on?

Mrs. JENKINS. Yes, sir.

Mr. KENNEDY. And there were drinks being served?

Mrs. JENKINS. Yes, sir.

Mr. KENNEDY. Could you speak a little louder?

Mrs. JENKINS. I will try.

Mr. KENNEDY. There was gambling going on, drinks being served, and it was after 2:30 in the morning, is that right?

Mrs. JENKINS. Yes, sir.

Mr. KENNEDY. So one of the deputies circled, looking for Mr. Bennett.

Could you tell us what else you observed that evening, what else happened?

Mrs. JENKINS. Well, after he found Mr. Bennett, they talked for awhile up there.

Mr. KENNEDY. The deputy and Mr. Bennett?

Mrs. JENKINS. Yes, sir. And then Mr. Bennett went downstairs with them.

Mr. KENNEDY. Came downstairs with them?

Mrs. JENKINS. Yes, sir, he went outside with them, and then he came back, and in the meantime we were told to get all the people out of the place, which we did as quickly as possible. Then Mr. Bennett came back upstairs. We wondered what it was all about, because we weren't exactly expecting it.

Mr. KENNEDY. Why were you not expecting it?

Mrs. JENKINS. Well, generally, when you know that there is going to be a raid, you generally have an idea that it is going to happen. You have some warning or something.

Well, in the first place, it was the first time I had known that Mr. Schrunk had ever raided the place like that. Generally the city police would.

Mr. KENNEDY. This was inside the city limits, is that right?

Mrs. JENKINS. Right.

Mr. KENNEDY. He had come inside the city limits. Ordinarily, if there was a raid taking place, it would be done by the police?

Mrs. JENKINS. That is right.

Mr. KENNEDY. Although he has the authority to raid inside the city. He can raid any place in the county?

Mrs. JENKINS. Sure.

Mr. KENNEDY. Go ahead.

Mrs. JENKINS. Then Mr. Bennett came back upstairs and said that he had talked to Mr. Schrunk, and wanted to know how come this raid was happening. Mr. Schrunk——

Mr. KENNEDY. Did you hear this conversation?

Mrs. JENKINS. No, I did not. This is what Mr. Bennett told me.

Mr. KENNEDY. When did he tell you?

Mrs. JENKINS. When he came back up the stairs after he had gone down with Mr. Schrunk's deputies.

Mr. KENNEDY. He went down and talked to Mr. Schrunk and then he related the conversation he had with Mr. Schrunk to you?

Mrs. JENKINS. That is right, sir.

Mr. KENNEDY. Tell us what he said to you.

Mrs. JENKINS. He asked Mr. Schrunk why this raid was happening, and Mr. Schrunk, as well as I can remember, said that he had taken care of everybody else, but he had forgotten to take care of him.

Mr. KENNEDY. That Bennett had taken care of everybody else but he had forgotten to take care of him, Schrunk?

Mrs. JENKINS. Yes, sir.

Mr. KENNEDY. So what did Bennett say to you then?

Mrs. JENKINS. Well, that was about the extent.

Mr. KENNEDY. Excuse me?

Mrs. JENKINS. That was about the extent of the conversation, except that he asked me if he had any of the manila envelopes in there.

Mr. KENNEDY. If you had any manila envelopes?

Mrs. JENKINS. Yes, sir.

Mr. KENNEDY. Did you give him a manila envelop at that time?

Mrs. JENKINS. I can't remember if I got it for him or if I told him where it was, sir. Then he said that they weren't going to take any-

body, but the way I understood it they took the last four people that left the place.

MR. KENNEDY. Is that what he wanted to prevent, from getting the people arrested that were coming out of there? Is that what Mr. Bennett was anxious to prevent?

MR. JENKINS. Well, certainly, sir. We always tried to prevent that if we could.

Senator McCARTHY. A little louder, if you could, please.

MR. KENNEDY. You are always trying to prevent that if you could?

Mrs. JENKINS. Yes, sir.

MR. KENNEDY. Did you have any further conversation with Mr. Bennett about this, what he wanted the envelope for?

Mrs. JENKINS. No. Just that one conversation was all we had about it, sir.

MR. KENNEDY. That was the end of it? You never knew what he did with the envelope.

Mrs. JENKINS. No, sir, I don't.

MR. KENNEDY. You do not know?

Mrs. JENKINS. No, sir.

MR. KENNEDY. You don't know whether he ever gave the envelope to Mr. Schrunk or whether anything was put in the envelope?

Mrs. JENKINS. I understood that is what he did, but I didn't see it.

MR. KENNEDY. You did not see it yourself?

Mrs. JENKINS. No, sir.

The CHAIRMAN. Did you understand at that time that is what he wanted the envelope for, to put money in to give to Sheriff Schrunk?

Mrs. JENKINS. Yes, sir.

The CHAIRMAN. All right.

Senator MUNDT. What type of gambling was going on on the premises at that time? Was it pinball machines, or crap tables, or what?

Mrs. JENKINS. No. I don't really recall if there were 1 or 2 games going on that night. But if there were two, it would have been a crap table and a 21 table.

Senator MUNDT. A crap game and—

Mrs. JENKINS. And a 21 table.

Senator MUNDT. Blackjack, do you mean?

Mrs. JENKINS. Yes, sir.

Senator MUNDT. You know that one or the other was going on?

Mrs. JENKINS. Yes, sir.

Senator MUNDT. This was not just a pinball mechanism, but they were playing cards for money?

Mrs. JENKINS. Yes, sir.

Senator GOLDWATER. Had you been raided before?

MR. JENKINS. Pardon me?

Senator GOLDWATER. Had the club been raided before?

Mrs. JENKINS. Yes, sir.

Senator GOLDWATER. Did you get a warning that it was going to be raided?

Mrs. JENKINS. I didn't, but I imagine Mr. Bennett did.

Senator GOLDWATER. What did you do when you got that warning?

Mrs. JENKINS. Well, we generally tried to close up that night, that night we thought it was going to happen.

Senator GOLDWATER. Did you move the gambling equipment out or hide it?

Mrs. JENKINS. I don't know, sir, if they did or not.

Senator GOLDWATER. You generally just closed up?

Mrs. JENKINS. Yes.

Senator GOLDWATER. That warning came from the city police?

Mrs. JENKINS. Yes, sir.

Senator GOLDWATER. How much warning would they give you?

Mrs. JENKINS. Well, I don't know about that, sir. Mr. Bennett would just tell me not to come to work that night.

Senator GOLDWATER. You had ample warning?

Mrs. JENKINS. Well, I don't know if it was ample, but generally he had some idea that it was going to happen.

Senator GOLDWATER. Thank you.

The CHAIRMAN. Are there any further questions?

Mr. KENNEDY. That is all.

The CHAIRMAN. Just one moment.

The Chair asks the clerk to present to you a picture, and I wish you would examine it and see if you can identify it and tell us what that is a picture of, if you recognize it.

(Document handed to witness.)

Mrs. JENKINS. Yes, sir.

The CHAIRMAN. There is something familiar about it?

Mrs. JENKINS. Yes, sir.

The CHAIRMAN. What is it?

Mrs. JENKINS. It is the 8212 Club.

The CHAIRMAN. I beg your pardon?

Mrs. JENKINS. The 8212 Club.

The CHAIRMAN. Where was it located?

Mrs. JENKINS. 8212 North Denver.

The CHAIRMAN. North Denver Street, Portland, Oreg.?

Mrs. JENKINS. Yes, sir.

The CHAIRMAN. Thank you very much.

That will be made exhibit No. 41.

(The document referred to was marked "Exhibit No. 41" for reference and may be found in the files of the select committee.)

Senator MUNDT. Do you know Mr. James Elkins?

Mrs. JENKINS. Yes, sir.

Senator MUNDT. Did you understand that he had a working interest in the 8212 Club?

Mrs. JENKINS. Yes, sir.

Senator MUNDT. You got that information through Mr. Bennett or from Mr. Elkins?

Mrs. JENKINS. Through Mr. Bennett.

Senator MUNDT. Through Mr. Bennett, you learned that Mr. Elkins was a partner of some type or other?

Mrs. JENKINS. Of some type; yes, sir.

Senator McCARTHY. I am sure you made this clear already, but just so that the record is absolutely clear, the Mr. Bennett you speak of is the Mr. Bennett whom we have just voted to cite for contempt?

Mrs. JENKINS. Yes, sir.

Senator McCARTHY. Thank you very much.

The CHAIRMAN. Thank you. You may stand aside for the present.

Call the next witness.

(Members present at this point: The Chairman, Senators Ives, McNamara, McCarthy, Mundt, and Goldwater.)

Mr. KENNEDY. Mr. John Vance.

The CHAIRMAN. Will you be sworn, Mr. Vance?

You do solemnly swear that the evidence you shall give before this Senate select committee shall be the truth, the whole truth, and nothing but the truth, so help you God?

Mr. VANCE. I do.

TESTIMONY OF JOHN W. VANCE

The CHAIRMAN. State your name, your place of residence, and your present business or occupation for the committee, please.

Mr. VANCE. My name is John W. Vance, and I live in Portland Oreg., and I am unemployed.

The CHAIRMAN. You are what?

Mr. VANCE. I am unemployed.

The CHAIRMAN. You are presently unemployed.

Mr. Vance, have you been present in the committee room here this morning?

Mr. VANCE. Yes, sir; I have.

The CHAIRMAN. You have heard the testimony of the previous witnesses?

Mr. VANCE. Yes, sir.

The CHAIRMAN. Have you also talked to members of the staff of the committee regarding information you may have?

Mr. VANCE. Yes, sir; I have.

The CHAIRMAN. With that information and understanding, have you elected to waive counsel? You do not desire counsel present?

Mr. VANCE. I don't; no, sir.

The CHAIRMAN. Thank you very much.

Mr. Kennedy?

Mr. KENNEDY. Mr. Vance, you and I had a talk in the office a couple of days ago; is that right?

Mr. VANCE. Yes, sir.

Mr. KENNEDY. And we went over your past career?

Mr. VANCE. Yes, sir.

Mr. KENNEDY. You have been convicted of burglary and robbery in the State of California?

Mr. VANCE. Yes, sir.

Mr. KENNEDY. And during the 1930's, also the same offenses in Nevada; is that right?

Mr. VANCE. In Arizona.

Mr. KENNEDY. In Arizona and then in California in the 1940's?

Mr. VANCE. In the 1940's.

Mr. KENNEDY. And you now live in Portland, Oreg.?

Mr. VANCE. Yes, sir.

Mr. KENNEDY. And you know Mr. James Elkins?

Mr. VANCE. Yes, sir.

Mr. KENNEDY. You worked for Mr. James Elkins?

Mr. VANCE. Yes, sir.

Mr. KENNEDY. The responsibility that you had, the job that you did for Mr. Elkins, was to go around and check to determine whether the money was being handled properly in his joints; is that right?

Mr. VANCE. That is correct.

Mr. KENNEDY. In his after-hours places?

Mr. VANCE. Yes, sir.

Mr. KENNEDY. Were you in this Bennett's place, the 8212 place, the night that it was raided?

Mr. VANCE. Yes, sir; I was.

Mr. KENNEDY. The night that Terry Schrunk came in?

Mr. VANCE. Yes, sir.

Mr. KENNEDY. Did you see Mr. Schrunk there?

Mr. VANCE. Yes, sir; I did.

Mr. KENNEDY. Did you also talk to Mr. Bennett about the fact that the sheriff had raided the place?

Mr. VANCE. Yes, sir; I did.

Mr. KENNEDY. Would you tell the committee what conversations you had with Mr. Bennett at the time?

Mr. VANCE. Well, after he had talked to the sheriff and came back, he tried to make a phone call to Mr. Elkins, and he was unable to reach him. So he asked me if I didn't think it was better to pay out \$500 tonight rather than \$1,500 the next day, and I told him that I thought it was a pretty smart thing to do.

Mr. KENNEDY. He asked you whether it was not better to pay out \$500 tonight than \$1,500 the next day or later?

Mr. VANCE. Yes.

Mr. KENNEDY. You told him that you thought it was a pretty smart thing to do?

Mr. VANCE. Yes, sir; I did.

Mr. KENNEDY. What happened after that?

Mr. VANCE. He counted out what I presumed was \$500 and put it in a brown envelope.

Mr. KENNEDY. Do you know where he got the envelope from?

Mr. VANCE. No; I don't.

Mr. KENNEDY. You don't know anything about that, but you saw him put \$500 in an envelope?

Mr. VANCE. I did. What I presume to be \$500. I don't know exactly.

Mr. KENNEDY. Well, it was some money that he put in an envelope?

Mr. KENNEDY. Did he indicate at all to you where that money was going?

Mr. VANCE. Well, just that he said he was going to pay it out.

Mr. KENNEDY. That he was going to pay it out?

Mr. VANCE. Yes.

Mr. KENNEDY. You have known Mr. Elkins a long period of time?

Mr. VANCE. Yes, sir; I have.

Mr. KENNEDY. The charge would be that Mr. Elkins does not get along with Mr. Schrunk, or possibly doesn't get along with Mr. Schrunk, that you are making this statement for the benefit of Mr. Elkins. Is that true?

Mr. VANCE. Well, that is probably what will happen. I don't know what else they could say.

Mr. KENNEDY. But the testimony that you have given is the truth?

Mr. VANCE. It is the truth; yes, sir.

Mr. KENNEDY. I also want to bring up one other matter that bears on your telling the truth, and that is that at the present time you have cancer; is that correct?

Mr. VANCE. Yes, sir; I do.

Mr. KENNEDY. Has the doctor told you how long a period of time he expects you to live?

Mr. VANCE. Well, he just gives me a matter of months, that is all.

Mr. KENNEDY. A few months?

Mr. VANCE. Yes, sir.

Mr. KENNEDY. You stated to me down in the office that you would hardly be up here lying about something like this when you would have to face your Maker within several months; is that right?

Mr. VANCE. That is correct; yes.

Mr. KENNEDY. You would not testify falsely before this committee on a matter of such importance as this and have to die within a few months; is that correct?

Mr. VANCE. Yes, sir; that is correct.

Senator MUNDT. Mr. Vance, is the Mr. Bennett that you talked about the man who was on the stand here this morning?

Mr. VANCE. That is the Mr. Bennett; yes, sir.

Senator MUNDT. The man that was cited for contempt?

Mr. VANCE. Yes.

Senator MUNDT. Are you positive about that identification?

Mr. VANCE. Yes. I am positive. I have known him for some time.

Senator MUNDT. You have known him for some time?

Mr. VANCE. Yes.

Senator MUNDT. You are positive that is the man?

Mr. VANCE. Yes.

The CHAIRMAN. Are there any further questions, gentlemen? If not, thank you very much.

Call your next witness.

(Members present at this point: The chairman, Senators Ives, McNamara, McCarthy, Mundt, and Goldwater.)

Mr. KENNEDY. Laura Stone.

The CHAIRMAN. Miss Stone, will you be sworn, please?

You do solemnly swear that the evidence you shall give before this Senate select committee shall be the truth, the whole truth, and nothing but the truth, so help you God?

Miss STONE. I do.

TESTIMONY OF LAURA STONE

The CHAIRMAN. Will you state your name, your place of residence, and your present business or employment, please?

Miss STONE. Laura Stone, 9201 North Fairhaven Avenue, Portland, Oreg. I am a bookkeeper.

The CHAIRMAN. You are a bookkeeper?

Miss STONE. Yes, sir.

The CHAIRMAN. Miss Stone, have you talked to members of the committee staff, and do you know generally the line of information the committee wishes to elicit from you?

Miss STONE. Yes, sir.

The CHAIRMAN. You have been present in the committee room this morning and heard the previous witnesses testify?

Miss STONE. Yes.

The CHAIRMAN. With that knowledge of the committee's investigation, what it is inquiring into, have you elected to waive counsel?

Miss STONE. That is right.

(At this point, Senator Ives withdrew from the hearing room.)

The CHAIRMAN. You do not need counsel?

Miss STONE. No.

The CHAIRMAN. Thank you very much.

Mr. Kennedy, proceed.

Mr. KENNEDY. Can you talk a little louder? Can you lean forward a little bit?

Miss STONE. Yes.

Mr. KENNEDY. Thank you.

During 1955, you were the bookkeeper for Mr. Jim Elkins; is that correct?

Miss STONE. Yes.

Mr. KENNEDY. Did Mr. Elkins finance the 8212 Club?

Miss STONE. Yes.

Mr. KENNEDY. He bankrolled it?

Miss STONE. That is right.

Mr. KENNEDY. How much money had he put into that club?

Miss STONE. \$1,500.

Mr. KENNEDY. \$1,500. Now, were you aware that in September of 1955, were you informed in September of 1955, that that place had been closed, or that that place had been raided by Mr. Terry Schrunk, the sheriff?

Miss STONE. Yes; I was informed that it was closed.

Mr. KENNEDY. Did Mr. Bennett tell you?

Miss STONE. Yes.

Mr. KENNEDY. Did he come to see you?

Miss STONE. That is right; to return the bankroll I had given him.

Mr. KENNEDY. Let us go through that again. What is the procedure that is followed as far as the bankroll is concerned?

Miss STONE. Well, if I give someone a bankroll, when a place is closed they are supposed to return it to me.

Mr. KENNEDY. They are supposed to return the full amount of money to you?

Miss STONE. That is right.

Mr. KENNEDY. So Mr. Bennett was to return the \$1,500 to you; is that right?

Miss STONE. That is right.

Mr. KENNEDY. Did Mr. Bennett have the \$1,500?

Miss STONE. No.

Mr. KENNEDY. How much did he return?

Miss STONE. He returned \$1,000 to me.

Mr. KENNEDY. What did he say?

Miss STONE. I asked him where the other \$500 was, and he said he used it to take care of someone. So I had never heard that expression before, and I asked him what he meant. He said, "Well, I gave it to Terry Schrunk." So I said, "Well, you will have to take that up with my employer. I don't know anything about that."

Mr. KENNEDY. Who is Terry Schrunk?

Miss STONE. Terry Schrunk was the sheriff of Portland, Oreg., at that time.

The CHAIRMAN. What is he now?

Miss STONE. He is the mayor.

Mr. KENNEDY. Was there any further conversation that you had about it?

Miss STONE. No, sir.

Mr. KENNEDY. You told him to take it up with Jim Elkins?

Miss STONE. That is right.

Mr. KENNEDY. Did you learn he had taken it up with Jim Elkins?

Miss STONE. To my knowledge, I don't know that he has ever paid the \$500 back. I believe my ledger shows a penciling at the top that the \$500 is still short. But I don't have my books with me.

Mr. KENNEDY. As you remember, the \$500 is still missing?

Miss STONE. That is right.

Mr. KENNEDY. You do not know what conversations Mr. Bennett and Mr. Elkins had about it?

Miss STONE. No; I don't.

Mr. KENNEDY. You do not know if Mr. Bennett informed Mr. Elkins what happened to the \$500?

Miss STONE. No; I don't.

Mr. KENNEDY. This is the only relationship you had with this transaction; is that right?

Miss STONE. That is right.

The CHAIRMAN. Are there any questions?

Senator MUNDT. Yes.

Is this Mr. Bennett whom you talked about the same man that was in the room who was cited for contempt today?

Miss STONE. Yes, sir.

Senator MUNDT. You are sure of that?

Miss STONE. Yes.

Senator MUNDT. You are presently employed by Mr. Elkins; are you?

Miss STONE. Yes, sir.

Senator MUNDT. You have been employed by him for how long?

Miss STONE. Since 1945.

Senator MUNDT. Do you remember a check, did you have anything to do with the check transaction, whereby Mr. Elkins paid six hundred and some dollars in a cashier's check to Mr. McLaughlin—was it?

Mr. KENNEDY. There were 2 checks, 1 for \$600 and 1 for about \$6,000.

Senator MUNDT. One for \$600 and one for about \$6,000?

Miss STONE. Yes; I know something about it.

Senator MUNDT. Will you tell us something about that?

Miss STONE. Just what do you mean?

Senator MUNDT. What do you know about it? You said you knew something about it. What do you know about it?

Miss STONE. About the check?

Senator MUNDT. About the checks and the reasons for them.

Miss STONE. Well, the \$6,000 was from mutual investments in the year of 1945.

Mr. KENNEDY. 1955.

Miss STONE. 1955. Excuse me.

The CHAIRMAN. What do you mean by mutual investments?

Miss STONE. Money received from investments in these clubs.

The CHAIRMAN. Mutual investments, does that mean they both had investments in them? Is that what you mean? Do you mean that

Mr. McLaughlin had an interest in the club, too, and was getting money from it?

Miss STONE. That is right.

Senator MUNDT. Do you know anything about the \$668 check to Mr. McLaughlin in connection with the land transaction, the options?

Miss STONE. Well, that was for a refund in full on real-estate options.

Senator MUNDT. Do you make out Mr. Elkins' income-tax statement, or help him with it?

Miss STONE. No. I don't make out his income-tax statement.

Senator MUNDT. You do not know whether he took a deduction of that \$6,000 that he paid Mr. McLaughlin, on his income tax? You would not know that?

Miss STONE. Well, his income tax would show that. Mr. Geller is our accountant that makes out his income tax.

Senator MUNDT. That is all.

The CHAIRMAN. Are there any other questions?

If not, you may stand aside. Thank you very much. Call your next witness.

(Members present at this point: The Chairman, Senators McNamara, McCarthy, Mundt, and Goldwater.)

Mr. KENNEDY. Mr. Tiedeman.

The CHAIRMAN. Mr. Tiedeman, come forward, please.

Will you be sworn, please?

You do solemnly swear that the evidence you shall give before this Senate select committee shall be the truth, the whole truth, and nothing but the truth, so help you God?

Mr. TIEDEMAN. I do.

TESTIMONY OF MERLIN L. TIEDEMAN

The CHAIRMAN. State your name, your place of residence, and your business or occupation.

Mr. TIEDEMAN. My name is Merlin Tiedeman. I live in Portland, Oreg.

The CHAIRMAN. Please speak a little louder. We do not have a mike system working this morning.

Mr. TIEDEMAN. I live in Portland, Oreg. I am a patrolman on the Portland Police Department.

The CHAIRMAN. You are still a patrolman?

Mr. TIEDEMAN. Yes.

The CHAIRMAN. How long have you been a patrolman?

Mr. TIEDEMAN. I was appointed the 20th of September 1951.

The CHAIRMAN. 1951?

Mr. TIEDEMAN. Yes.

The CHAIRMAN. You have been a patrolman, then, for more than 6 years?

Mr. TIEDEMAN. Approximately 5 years.

The CHAIRMAN. Have you talked to members of the staff of the committee regarding the information you may have to give?

Mr. TIEDEMAN. Yes; I have.

The CHAIRMAN. Have you also been present here in the committee room this morning and heard the other witnesses who testified today?

Mr. TIEDEMAN. Yes.

The CHAIRMAN. With that information, have you elected to waive counsel?

Mr. TIEDEMAN. Yes.

The CHAIRMAN. Thank you very much.

Proceed, Mr. Kennedy.

Mr. KENNEDY. Mr. Tiedeman, as a patrolman, who do you work for?

Mr. TIEDEMAN. Do you mean the chief?

Mr. KENNEDY. No; who is your ultimate boss?

Mr. TIEDEMAN. Sergeant Thompson.

Mr. KENNEDY. But who is it that employs you? Who is your superior, your superior's superior, your highest officer?

Mr. TIEDEMAN. Mayor Schrunk.

Mr. KENNEDY. Mayor Schrunk?

Mr. TIEDEMAN. Yes.

Mr. KENNEDY. So you work for him; is that correct?

Mr. TIEDEMAN. Yes, sir.

Mr. KENNEDY. Do you know Mr. James Elkins?

Mr. TIEDEMAN. No, sir.

Mr. KENNEDY. You do not know him?

Mr. TIEDEMAN. No, sir.

Senator McCARTHY. I did not hear who the immediate superior was. Sergeant who?

Mr. TIEDEMAN. Thompson.

Mr. KENNEDY. But he works for Mayor Schrunk.

You have been subpoenaed here before this committee; is that right?

Mr. TIEDEMAN. Yes.

Mr. KENNEDY. You never volunteered any information of any kind to this committee?

Mr. TIEDEMAN. No.

Mr. KENNEDY. We got in touch with you and subpoenaed you to come; is that right?

Mr. TIEDEMAN. Yes, sir.

Mr. KENNEDY. And we are now asking you these questions which you are obligated to answer truthfully. You understand that?

Mr. TIEDEMAN. Yes.

Mr. KENNEDY. Mr. Tiedeman, in September of 1955, were you on duty that evening?

Mr. TIEDEMAN. Yes; I was.

Mr. KENNEDY. Were you on duty that early morning?

Mr. TIEDEMAN. Yes.

Senator McCARTHY. May I ask you, Mr. Tiedeman, if you can speak up a little louder? We have no loudspeaker system in this room, and it is difficult to hear you.

Mr. KENNEDY. This was on or about September 11 of 1955?

Mr. TIEDEMAN. Yes, sir.

Mr. KENNEDY. You were on duty that early morning; were you not?

Mr. TIEDEMAN. Yes; I was.

Mr. KENNEDY. And did you receive a radio call around 3:30 in the morning?

Mr. TIEDEMAN. Yes, approximately 3:30 a. m.

Mr. KENNEDY. You will have to speak up, Mr. Tiedeman.

Mr. TIEDEMAN. About 3:30 a. m., approximately.

Mr. KENNEDY. What did the radio call ask you to do?

Mr. TIEDEMAN. The radio told us to go to Denver and Kilpatrick Street, to meet the sheriff, regarding a found bicycle.

Mr. KENNEDY. Regarding a bicycle that had been found?

Mr. TIEDEMAN. Yes.

Mr. KENNEDY. Did you proceed to that address?

Mr. TIEDEMAN. Yes; we did.

Mr. KENNEDY. Did you pick up the bicycle?

Mr. TIEDEMAN. Yes; we put the bicycle in the back seat of the police car.

Mr. KENNEDY. And then did you move along then?

Mr. TIEDEMAN. No.

Mr. KENNEDY. Did you remain there?

Mr. TIEDEMAN. Yes.

Mr. KENNEDY. For what reason?

Mr. TIEDEMAN. Well, we were standing on the corner there talking—

Mr. KENNEDY. Mr. Chairman, we have a chart here which might make it easier to understand this.

Your car came up, Mr. Tiedeman?

Mr. TIEDEMAN. Yes.

Mr. KENNEDY. This is Bennett's Club [indicating]?

Mr. TIEDEMAN. That is it; yes. We approached the scene. We were traveling—

Mr. KENNEDY. What car were you, car 1?

Mr. TIEDEMAN. We were parked on the corner, the car right by the curb.

Mr. KENNEDY. You were car No. 1; is that right?

Mr. TIEDEMAN. Yes.

Mr. KENNEDY. Who were you with at that time?

Mr. TIEDEMAN. My partner was Officer Amundson.

Mr. KENNEDY. Officer Amundson?

Mr. TIEDEMAN. Yes.

Mr. KENNEDY. Did you get out of the car after putting the bicycle in?

Mr. TIEDEMAN. Yes.

Mr. KENNEDY. Did you stay around at that time?

Mr. TIEDEMAN. Yes; we did.

Mr. KENNEDY. Why did you stay?

Mr. TIEDEMAN. We were talking to Sheriff Schrunk there for a few minutes, and also one of the deputies.

Mr. KENNEDY. You were in car No. 1?

Mr. TIEDEMAN. Yes.

Mr. KENNEDY. Would you tell us what occurred? You stood there to watch the raid that was taking place?

Mr. TIEDEMAN. When we arrived, it didn't appear that—it appeared that if there had been a raid, it was over, and the sheriff helped us put the bicycle in the car, and we talked to him for a few minutes. I don't know exactly what was said.

Mr. KENNEDY. And you stayed around after that?

Mr. TIEDEMAN. Yes.

Mr. KENNEDY. These are the three of you standing here [indicating], is that about where you were?

Mr. TIEDEMAN. Approximately; yes.

Mr. KENNEDY. Then did you see anybody come out of Bennett's Club?

Mr. TIEDEMAN. Yes.

Mr. KENNEDY. Did you observe anything happening?

Mr. TIEDEMAN. Yes. Bennett came out and talked to Sheriff Schrunk.

Mr. KENNEDY. Then what occurred?

Mr. TIEDEMAN. Bennett went back in the building.

Mr. KENNEDY. He went back in the building?

Mr. TIEDEMAN. Yes.

Mr. KENNEDY. Then what occurred?

Mr. TIEDEMAN. He came out and talked to the sheriff again.

Mr. KENNEDY. Yes?

Mr. TIEDEMAN. And then Bennett cut across the street.

Mr. KENNEDY. Over across the street [indicating]?

Mr. TIEDEMAN. To that corner, yes.

Mr. KENNEDY. There is a fountain on the corner here [indicating]?

Mr. TIEDEMAN. There is a telephone pole and a water fountain. The water fountain is to the right.

Mr. KENNEDY. What happened at that time?

Mr. TIEDEMAN. When Bennett cut across the street, he went over behind the telephone pole and put something down behind the pole.

Mr. KENNEDY. He put something down behind the pole?

Mr. TIEDEMAN. Yes.

Mr. KENNEDY. Did you observe what it was?

Mr. TIEDEMAN. No; I did not.

Mr. KENNEDY. Then what did he do?

Mr. TIEDEMAN. Then he left. I didn't see what direction he went.

Mr. KENNEDY. Did anything else occur that evening?

Mr. TIEDEMAN. Then the sheriff walked across the street.

Mr. KENNEDY. How much longer after was that?

Mr. TIEDEMAN. A few minutes, maybe.

Mr. KENNEDY. The sheriff, Sheriff Schrunk, walked across the street?

Mr. TIEDEMAN. Yes.

Mr. KENNEDY. The same street?

Mr. TIEDEMAN. Yes.

Senator McCARTHY. In other words, he had something in his hand which he took over and put behind the telephone pole?

Mr. TIEDEMAN. I didn't see anything in Mr. Bennett's hand; no.

Senator McCARTHY. Did you see him stoop over and put something down behind the pole?

Mr. TIEDEMAN. Yes. It appeared to me that he put something behind the pole, but I didn't see the object.

Senator McCARTHY. Something that he apparently was carrying in his pocket or his hand?

Mr. TIEDEMAN. Yes.

Senator McCARTHY. Pardon me, Bob.

Mr. KENNEDY. Then Sheriff Schrunk came after 3 or 4 minutes and walked in the same direction; is that right?

Mr. TIEDEMAN. Yes; he did.

Mr. KENNEDY. Did he stop here at the corner?

Mr. TIEDEMAN. He stopped at the same spot, behind the telephone pole.

Mr. KENNEDY. What did he do?

Mr. TIEDEMAN. He reached down and picked up a package.

Mr. KENNEDY. Picked up this object Mr. Bennett had left; is that right?

Mr. TIEDEMAN. Yes.

Mr. KENNEDY. Then what did he do?

Mr. TIEDEMAN. He put it in his pocket and started back toward the corner, and I never seen where he went from there.

Mr. KENNEDY. You do not know where he went?

Mr. TIEDEMAN. No.

Mr. KENNEDY. What comments did you pass then? Did all 3 of you see that, the 3 of you that were standing there?

Mr. TIEDEMAN. There were two police cars there. Me and my partner were standing on the corner, Officer Amundson, and also Officer Dick Sutter.

Mr. KENNEDY. Did you pass any comments at that time?

Mr. TIEDEMAN. Yes. Officer Sutter made a remark.

Mr. KENNEDY. What did he say?

Mr. TIEDEMAN. He said something to the effect of "That crooked so-and-so."

Mr. KENNEDY. Tell us what he said.

Mr. TIEDEMAN. The exact words?

Mr. KENNEDY. Yes.

Mr. TIEDEMAN. He said "That crooked son-of-a-bitch."

Senator McCARTHY. I do not want to make you repeat it, but I did not hear.

Mr. TIEDEMAN. Officer Sutter said, "That crooked son-of-a-bitch."

Mr. KENNEDY. Did the three of you talk about it at that time?

Mr. TIEDEMAN. Yes, we stood there talking about it.

Mr. KENNEDY. All three of you were aware that he had gone by and picked up this object that Bennett had dropped off?

Mr. TIEDEMAN. Yes.

Mr. KENNEDY. There was no question in any of your minds at that time?

Mr. TIEDEMAN. No.

Mr. KENNEDY. And there is no question in your mind this morning?

Mr. TIEDEMAN. No.

Mr. KENNEDY. There is not?

Mr. TIEDEMAN. No.

Mr. KENNEDY. And you do not know Mr. Elkins?

Mr. TIEDEMAN. I do not.

Mr. KENNEDY. You never talked to Mr. Elkins?

Mr. TIEDEMAN. I don't know Mr. Elkins at all.

Senator MUNDT. About how many feet was it from where you were standing to where this pole was?

Mr. TIEDEMAN. I believe Denver Avenue is approximately a 50-foot—it is about 50 feet wide; 45 or 50 feet wide.

Senator MUNDT. So you were approximately 50 feet away?

Mr. TIEDEMAN. Yes.

Senator MUNDT. Are there street lights in that general area?

Mr. TIEDEMAN. They have new lighting there now. There was an old type street light at the intersection.

Senator MUNDT. At this intersection?

Mr. TIEDEMAN. Yes.

Senator MUNDT. So the visibility was fairly good?

Mr. TIEDEMAN. Yes, it was.

The CHAIRMAN. Mr. Tiedeman, do you recognize this chart as representing the streets and the directions and so forth?

Do you identify it?

Mr. TIEDEMAN. Yes, it is.

The CHAIRMAN. That may be made exhibit No. 42.

(The document referred to was marked "Exhibit No. 42" for reference and may be found in the files of the select committee.)

The CHAIRMAN. The Chair presents to you a photograph. Will you examine it and state whether you identify it? State if you can identify it and state what location that is a picture of.

(Document handed to witness.)

Mr. TIEDEMAN. That is Denver and Kilpatrick Street, the same intersection.

The CHAIRMAN. The same intersection that is shown on the chart that you have just identified?

Mr. TIEDEMAN. Yes, it is.

The CHAIRMAN. Can you point out on that picture the location of the club that was presumably raided that night? Can you place a mark there? Write the word "club."

All right, that is "club."

Now, can you point out the telephone pole and the drinking fountain that you have testified to?

Mr. TIEDEMAN. Yes. It is right here [indicating].

The CHAIRMAN. Mark "drinking fountain" and "pole."

Mr. TIEDEMAN. All right.

The CHAIRMAN. Now, can you indicate on that picture about where you and your associates on the police force were standing?

Mr. TIEDEMAN. We were standing on the corner right here [indicating.]

The CHAIRMAN. Would you place a large X where you were standing?

Mr. TIEDEMAN. Yes.

The CHAIRMAN. All right. Thank you very much. This photograph may be made exhibit No. 43.

(The document referred to was marked "Exhibit No. 43" for reference, and may be found in the files of the select committee.)

The CHAIRMAN. The Chair hands you another photograph and asks you if you can identify it?

(Document handed to witness.)

Mr. TIEDEMAN. That is the pole and the fountain.

The CHAIRMAN. That shows the pole and the fountain that you have been testifying to?

Mr. TIEDEMAN. Yes.

The CHAIRMAN. Does it also show the club where the raid is supposed to have taken place?

Mr. TIEDEMAN. Yes. It is right here [indicating].

The CHAIRMAN. Mark that. I think the pole and the fountain speak for themselves. This may be made exhibit No. 44.

(The document referred to was marked "Exhibit No. 44" for reference, and may be found in the files of the select committee.)

The CHAIRMAN. All right, Mr. Kennedy, you may proceed.

Mr. KENNEDY. I have finished with this witness, Mr. Chairman.

The CHAIRMAN. All right. Thank you very much. You may stand aside.

Call the next witness.

(Members present at this point: The chairman, Senators McNamara, McCarthy, Mundt, and Goldwater.)

Mr. KENNEDY. Mr. Amundson.

The CHAIRMAN. Mr. Amundson, will you be sworn, please?

You do solemnly swear that the evidence you shall give before this Senate select committee shall be the truth, the whole truth, and nothing but the truth, so help you God?

Mr. AMUNDSON. I do, sir.

TESTIMONY OF LOWELL E. AMUNDSON

The CHAIRMAN. State your name, your place of residence, and your present business or occupation.

Mr. AMUNDSON. Lowell E. Amundson, Portland, Oreg.

The CHAIRMAN. A little louder, please.

Mr. AMUNDSON. Lowell E. Amundson, Portland, Oreg.

The CHAIRMAN. What is your present employment?

Mr. AMUNDSON. Police patrolman, city of Portland.

The CHAIRMAN. You are on the police patrol, city of Portland?

Mr. AMUNDSON. Yes, sir.

The CHAIRMAN. How long have you been so employed?

Mr. AMUNDSON. Ten years, last December.

The CHAIRMAN. You have talked with members of the staff, and you know the general information that the committee is interested in receiving from you?

Mr. AMUNDSON. I do, sir.

The CHAIRMAN. You also have been present in the committee room during the testimony of other witnesses here this morning?

Mr. AMUNDSON. Yes, sir.

The CHAIRMAN. With that information, you are willing to and have waived counsel have you?

Mr. AMUNDSON. I do.

The CHAIRMAN. Thank you very much.

Proceed, Mr. Kennedy.

Mr. KENNEDY. I want to ask you the same questions I asked Mr. Tiedeman.

Who is your superior?

Mr. AMUNDSON. The mayor of the city, Mayor Schunk.

Mr. KENNEDY. You were subpoenaed here; is that correct?

Mr. AMUNDSON. That is right.

Mr. KENNEDY. You never volunteered to come?

Mr. AMUNDSON. No, sir.

Mr. KENNEDY. You never volunteered any information to this committee?

Mr. AMUNDSON. No, sir.

Mr. KENNEDY. You were requested under the power of subpoena to appear before the committee; is that right?

Mr. AMUNDSON. That is correct.

Mr. KENNEDY. And you are answering these questions because you are obligated to do so?

Mr. AMUNDSON. That is correct.

Mr. KENNEDY. Do you know Mr. James Elkins?

Mr. AMUNDSON. No, sir.

Mr. KENNEDY. You do not know him?

Mr. AMUNDSON. No, sir.

Mr. KENNEDY. You never talked to him?

Mr. AMUNDSON. No, sir.

Mr. KENNEDY. You never had any connection with him in any way; is that right?

Mr. AMUNDSON. No, sir.

(At this point, Senator McCarthy withdrew from the hearing room.)

Mr. KENNEDY. How do you spell your name?

Mr. AMUNDSON. A-m-u-n-d-s-o-n.

Mr. KENNEDY. Mr. Amundson, on the evening or the early morning, around September 11, 1955 you were on duty, were you not?

Mr. AMUNDSON. Yes, sir.

Mr. KENNEDY. And you were patrolling?

Mr. AMUNDSON. Yes, sir.

Mr. KENNEDY. Did you receive a telephone call or a call on your radio?

Mr. AMUNDSON. A radio.

Mr. KENNEDY. On your police radio?

Mr. AMUNDSON. On the radio.

Mr. KENNEDY. Tell us what it was.

Mr. AMUNDSON. To meet the sheriff at Denver and Kilpatrick Street in regard to a bicycle that had been found there.

Mr. KENNEDY. This is a chart showing Denver and Kilpatrick; is that right?

Mr. AMUNDSON. Yes, sir.

Mr. KENNEDY. You picked up the bicycle?

Mr. AMUNDSON. Yes, sir.

The CHAIRMAN. Let the record show that the witness is now viewing the chart that has been made an exhibit.

Mr. KENNEDY. You came to this corner [indicating]?

Mr. AMUNDSON. Yes, sir.

Mr. KENNEDY. And you picked up the bicycle?

Mr. AMUNDSON. Yes, sir.

Mr. KENNEDY. Then what occurred? Did you stay there?

Mr. AMUNDSON. We remained a few minutes.

Mr. KENNEDY. Were you there the same time that this place, this club, was being raided?

Mr. AMUNDSON. On our approach there were several people in front of the place on the sidewalk. We did not know it was a raid until we stopped there. It appeared to be over at that time.

Mr. KENNEDY. So did you stop and talk on the corner?

Mr. AMUNDSON. Yes.

Mr. KENNEDY. Could you tell the committee whether you observed anything while you were standing there on the corner? Who were you standing with, first?

Mr. AMUNDSON. Officer Dick Sutter and Officer Merlin Tiedeman.

Mr. KENNEDY. That was Tiedeman, the gentleman who just testified, is that right?

Mr. AMUNDSON. Yes, sir.

Mr. KENNEDY. Go ahead.

Mr. AMUNDSON. We were standing there talking, and I was looking across the street, and one of the officers in the crowd pointed out and said:

There goes Mr. Bennett, the operator of the club.

Mr. KENNEDY. Did he come down and across the street like this [indicating]?

Mr. AMUNDSON. He was walking across the street.

The CHAIRMAN. Was that the same Mr. Bennett that testified here this morning?

Mr. AMUNDSON. I couldn't identify him. I never seen the man before that night, and I wouldn't want to swear it is the same man.

The CHAIRMAN. You cannot swear it is the same man?

Mr. AMUNDSON. I wouldn't want to swear to that.

Mr. KENNEDY. It was somebody that was identified to you as Mr. Bennett; is that right?

Mr. AMUNDSON. That is right.

Mr. KENNEDY. He crossed the street over here [indicating]?

Mr. AMUNDSON. Yes.

Mr. KENNEDY. What occurred when he got across the street?

Mr. AMUNDSON. As I remember, he went to the drinking fountain, leaned over and took a drink, and as he left the drinking fountain, he bent over and made the motion of placing something beside the pole there.

Mr. KENNEDY. He put an object here next to the pole [indicating]?

Mr. AMUNDSON. Next to the pole.

Mr. KENNEDY. All right.

Mr. AMUNDSON. Then he left.

Mr. KENNEDY. Do you know where he went then?

Mr. AMUNDSON. It is my recollection that he walked across Kilpatrick Street, the nearest I can remember.

Mr. KENNEDY. Do you know if he got into a car there?

Mr. AMUNDSON. No. As he left, I didn't pay any more attention to him.

Mr. KENNEDY. Go ahead.

Mr. AMUNDSON. Then it was a few minutes, approximately 5 minutes or so afterward, that I observed the sheriff make the same trip.

The CHAIRMAN. Who?

Mr. AMUNDSON. The sheriff. Sheriff Schrunk.

Mr. KENNEDY. Sheriff Schrunk?

Mr. AMUNDSON. Yes.

Mr. KENNEDY. He made the same trip across the street?

Mr. AMUNDSON. Yes.

Mr. KENNEDY. Did he stop here also [indicating]?

Mr. AMUNDSON. He stopped beside the pole.

Mr. KENNEDY. Did he lean over?

Mr. AMUNDSON. He leaned over as if to pick up something.

Mr. KENNEDY. Did he pick up something?

Mr. AMUNDSON. It appeared to me that he did.

Mr. KENNEDY. Do you know what happened then?

Mr. AMUNDSON. He walked across the street to his car, which was parked on the southwest corner.

Mr. KENNEDY. This was his car [indicating]?

Mr. AMUNDSON. That was his car.

Mr. KENNEDY. He got into his car then?

Mr. AMUNDSON. He opened the door, but I don't know whether he got in or not.

Mr. KENNEDY. Was there any comment made among the three of you at that time?

Mr. AMUNDSON. Yes. We discussed the situation that took place.

Mr. KENNEDY. What did you say?

Mr. AMUNDSON. We were wondering what happened, and what was there.

Mr. KENNEDY. What was in the object that he picked up?

Mr. AMUNDSON. Yes.

Mr. KENNEDY. Was there any comment made by any of you, indicating that you thought that there had been some money paid or something had happened, in that order?

Mr. AMUNDSON. Well, we discussed it between ourselves, and one of the officers, named Sutter, said, "Well, that dirty crook."

Mr. KENNEDY. So you realized at that time what had occurred, is that right?

Mr. AMUNDSON. It appeared to us what had occurred.

The CHAIRMAN. Are there any further questions?

If not, thank you very much. Stand aside for the present.

Call the next witness.

(Members present at this point: The Chairman, Senators McNamara, Mundt, and Goldwater.)

Mr. KENNEDY. Mr. Daniels.

The CHAIRMAN. Mr. Daniels, come forward, please.

Will you be sworn?

You do solemnly swear that the evidence you shall give before this Senate Select Committee shall be the truth, the whole truth and nothing but the truth, so help you God?

Mr. DANIELS. I do.

TESTIMONY OF FRANK DANIELS

The CHAIRMAN. State your name, your place of residence, and your present occupation.

Mr. DANIELS. Frank Daniels, Santa Monica, Calif., unemployed at the present.

The CHAIRMAN. You are on the police force—

Mr. DANIELS. No, unemployed at the present.

The CHAIRMAN. Have you talked to members of the staff of this committee and know generally the information that the committee is interested in receiving from you?

Mr. DANIELS. Yes, sir.

The CHAIRMAN. You have been present in the committee room during the proceedings this morning and heard other witnesses testify?

Mr. DANIELS. Yes.

The CHAIRMAN. With that information, have you elected to waive counsel?

Mr. DANIELS. Yes, sir.

The CHAIRMAN. Thank you very much.

Proceed, Mr. Kennedy.

Mr. KENNEDY. You are from Santa Monica, Calif., is that right?

Mr. DANIELS. That is right.

Mr. KENNEDY. You are here under orders of a subpena?

Mr. DANIELS. That is right.

Mr. KENNEDY. You were in Portland, Oreg., in September of 1955?

Mr. DANIELS. Yes.

Mr. KENNEDY. Specifically, around September 11, 1955, you were there, is that right?

Mr. DANIELS. That is right.

Mr. KENNEDY. What were you doing during that period of time? How were you employed?

Mr. DANIELS. I was a bartender in a tavern.

Mr. KENNEDY. You were a bartender in a tavern?

Mr. DANIELS. Yes. I just lost my job right about then.

Mr. KENNEDY. You just lost your job that night?

Mr. DANIELS. No. It was a few days before that.

Mr. KENNEDY. And you were looking for a job?

Mr. DANIELS. That is correct.

Mr. KENNEDY. Did you have any particular place in mind that you were going to get a job?

Mr. DANIELS. Well, I thought about going out to the 8212 Club.

Mr. KENNEDY. So did you go to the 8212 Club?

Mr. DANIELS. Yes, sir.

Mr. KENNEDY. What time did you arrive there, approximately?

Mr. DANIELS. I believe it was between 2:30 and 3:30, around there.

Mr. KENNEDY. What was going on?

Mr. DANIELS. Well, it appeared that a raid was in progress.

Mr. KENNEDY. Did you come up this street here [indicating]? Is that correct?

Mr. DANIELS. Denver Avenue; yes.

The CHAIRMAN. What is the name of the street?

Mr. KENNEDY. Denver Street, is that right?

Mr. DANIELS. Denver Avenue.

Mr. KENNEDY. Did you observe that the place appeared to be being raided at the time?

Mr. DANIELS. Yes, sir. There was quite a bit of commotion going on.

Mr. KENNEDY. What did you do? Did you park?

Mr. DANIELS. I parked right behind—the No. 2 car at the top.

Mr. KENNEDY. You parked here [indicating], and that was your car?

Mr. DANIELS. Yes.

Mr. KENNEDY. You sat in the car and watched what was going on?

Mr. DANIELS. That is right.

Mr. KENNEDY. Did you know Mr. Bennett at the time?

Mr. DANIELS. Very slightly.

Mr. KENNEDY. Continue.

Mr. DANIELS. I was curious. I figured I would sit there and watch what was going to happen.

Mr. KENNEDY. Did you observe anything going on then?

Mr. DANIELS. There were several men in front of the 8212 Club. There was a black and white city police car parked around the corner there.

Mr. KENNEDY. Is that this car here [indicating]?

Mr. DANIELS. Yes, and there was a county car double parked in front of the club.

Mr. KENNEDY. In here [indicating]?

Mr. DANIELS. Yes.

Mr. KENNEDY. O. K.

Mr. DANIELS. And there were a couple of men in some green uniforms and some——

Mr. KENNEDY. Would you speak up a little bit?

Mr. DANIELS. There were some men in front of the club and also in some regular suits.

The CHAIRMAN. By uniform, do you mean police uniforms?

Mr. DANIELS. Green uniforms. That is county, I believe.

The CHAIRMAN. What?

Mr. DANIELS. Green uniforms.

The CHAIRMAN. Was that the police uniform?

Mr. DANIELS. It was the county.

The CHAIRMAN. I was asking what uniform it is.

Mr. DANIELS. It is the county sheriff's office.

Mr. KENNEDY. Did you observe anything going on?

Mr. DANIELS. Well, after——

Mr. KENNEDY. Did you see Mr. Bennett?

Mr. DANIELS. I did after I sat there for a few minutes. He came walking toward the corner and crossed.

Mr. KENNEDY. Did he cross this street?

Mr. DANIELS. Yes, sir.

(At this point, Senator Ervin entered the hearing room.)

Mr. KENNEDY. What else occurred?

Mr. DANIELS. He placed what appeared to me to be a manila envelope behind the telephone pole.

Mr. KENNEDY. Right here [indicating]?

Mr. DANIELS. Yes, sir.

The CHAIRMAN. A manila envelope?

Mr. DANIELS. It appeared to be that from where I was.

Mr. KENNEDY. What else?

Mr. DANIELS. Then he went on down the street.

Mr. KENNEDY. He walked down here [indicating]?

Mr. DANIELS. Yes.

Mr. KENNEDY. Then what occurred?

Mr. DANIELS. Then 2 or 3 minutes, Mr. Schrunk——

Mr. KENNEDY. Do you know Mr. Schrunk?

Mr. DANIELS. Not personally; no.

Mr. KENNEDY. How did you recognize him?

Mr. DANIELS. I seen his picture a couple of times.

Mr. KENNEDY. You recognized him at that time?

Mr. DANIELS. Yes, sir.

Mr. KENNEDY. He crossed the street?

Mr. DANIELS. Yes, sir.

Mr. KENNEDY. What did he do?

Mr. DANIELS. Picked up the envelope.

Mr. KENNEDY. Then where did he go?

Mr. DANIELS. Catercorner across to the car on the other side.

Mr. KENNEDY. To this car [indicating]?

Mr. DANIELS. I don't know if he got into it, but it looked like he was going to.

Mr. KENNEDY. What did you do at that time?

Mr. DANIELS. About that time I figured it was time to go.

Mr. KENNEDY. About that time, you figured it was time to go?

Could you speak up a little louder?

Mr. DANIELS. Yes, sir. So I pulled out of my parking spot and drove up to the next corner and made a left turn.

Mr. KENNEDY. Would that be here or down here [indicating]?

Mr. DANIELS. I make a left turn down there, yes, and went the other way.

Mr. KENNEDY. What happened then?

Mr. DANIELS. I encountered Mr. Bennett coming back.

Mr. KENNEDY. He was coming up like this [indicating]?

Mr. DANIELS. That is right.

Mr. KENNEDY. Did you stop then?

Mr. DANIELS. I stopped and yelled at him and asked him what was happening.

Mr. KENNEDY. What did he say?

Mr. DANIELS. He said he almost took a pinch, but it was all right now, or words to that effect.

Mr. KENNEDY. Were there any other words exchanged?

Mr. DANIELS. I just said I came out to see about a job, and he said: "Come on in and have a drink. Everything is O. K." I said I didn't care to go in right then.

Mr. KENNEDY. He said, "Come on in. Everything is O. K."?

Mr. DANIELS. Yes.

Mr. KENNEDY. The first thing he said to you was "I almost took a pinch; but it is O. K. now"?

Mr. DANIELS. That is right.

The CHAIRMAN. Would it appear to you that Mr. Bennett, after depositing the envelope, walked around the block?

Mr. DANIELS. I didn't think so; no, sir. He just walked down in the direction of the Kenton Club.

The CHAIRMAN. I know, but when you drove off, you met him coming around the corner, toward his place of business?

Mr. DANIELS. Yes, sir.

The CHAIRMAN. But it indicated that he had walked around the block?

Mr. DANIELS. That is correct.

Mr. KENNEDY. Do you know a Mr. Jim Elkins?

Mr. DANIELS. No, sir.

Mr. KENNEDY. You have never met him?

Mr. DANIELS. No, sir.

Mr. KENNEDY. You never talked to him?

Mr. DANIELS. No, sir.

Mr. KENNEDY. You never had any business dealings?

Mr. DANIELS. No, sir.

Senator MUNDT. Mr. Daniels, having observed what you have just described to us, you must have related that to somebody else between then and the time you have appeared in this committee room; is that right?

Mr. DANIELS. That is right.

Senator MUNDT. To whom did you first relate what you had seen there that night?

Mr. DANIELS. Well, I have been trying to remember that myself. Evidently it got back to the newspaper reporters in Portland, but I evidently repeated it to some of my friends in a couple of different bars that I had tended.

Senator MUNDT. You probably repeated it more than once?

Mr. DANIELS. That is right.

Senator MUNDT. Were you ultimately interviewed by the newspaper reporters?

Mr. DANIELS. Pardon me?

Senator MUNDT. Would you say you have been interviewed by the newspaper reporters? You said it got to the newspapers.

Mr. DANIELS. Yes, sir.

Senator MUNDT. A newspaperman came to see you?

Mr. DANIELS. Yes.

Senator MUNDT. Who was it?

Mr. DANIELS. Mr. Turner and Mr. Lambert.

Senator MUNDT. They said to you, "Mr. Daniels, we understand you heard such and such a story," so you related it to them?

Mr. DANIELS. I was asked to tell it; yes.

Senator MUNDT. Thank you.

The CHAIRMAN. All right. Thank you very much.

The committee has labored here this morning under some difficulty, as everyone has observed. It is impossible to accommodate all of the witnesses and all of those who are interested in this proceeding. We will be able to have the Caucus Room again this afternoon, from 2 o'clock until 3:30. I think we can better expedite this by holding our hearing this afternoon here, even though we may have to discontinue after 3:30.

We will adjourn until 2 o'clock this afternoon, and resume in the Caucus Room. The Chair urges everyone to be prompt so that we can try to get in as much of this evidence this afternoon as possible here during that length of time.

(Members present at the taking of the recess: The chairman, Senators Ervin, McNamara, Mundt, and Goldwater.)

(Whereupon, at 11:55 a. m., the committee recessed, to reconvene at 2 p. m. the same day.)

AFTERNOON SESSION—2 P. M.

(Members present at the taking of the recess: The chairman, Senators Ervin, McNamara, McCarthy, Mundt, and Goldwater.)

The CHAIRMAN. The committee will be in order.

We will resume the inquiry this afternoon with reference to the same subject matter the committee was taking testimony on this morning.

Mr. Kennedy, will you proceed.

Mr. KENNEDY. Mayor Schrunk.

The CHAIRMAN. Will you come around, Mayor?

Will you be sworn, please?

You do solemnly swear that the evidence you shall give before this Senate select committee shall be the truth, the whole truth, and nothing but the truth, so help you God?

Mr. SCHRUNK. I do.

TESTIMONY OF TERRY SCHRUNK

The CHAIRMAN. State your name, your place of residence, and your business or occupation or official position that you now hold.

Mr. SCHRUNK. My name is Terry Doyle Schrunk, 43 years of age, residence 5407 North Houghton Street, Portland, Ore. Since January 1, 1957, I have been mayor of the city of Portland.

The CHAIRMAN. Prior to that, what official position did you hold?

Mr. SCHRUNK. Prior to January 1, or from October 24, 1949, until December 31, 1956, I was sheriff of Multnomah County.

The CHAIRMAN. You know, of course, the subject matter of this inquiry?

Mr. SCHRUNK. Yes, sir.

The CHAIRMAN. And you have been present at previous hearings and heard witnesses testify?

Mr. SCHRUNK. Yes, sir.

The CHAIRMAN. Were you present at the hearings this morning?

Mr. SCHRUNK. Yes, sir.

The CHAIRMAN. You heard the testimony given today?

Mr. SCHRUNK. Yes, sir.

The CHAIRMAN. With that knowledge and information, have you elected to waive counsel?

Mr. SCHRUNK. Yes, sir.

The CHAIRMAN. All right.

Mr. SCHRUNK. I would like the privilege of a brief statement at this time, sir.

The CHAIRMAN. Have you a prepared statement?

Mr. SCHRUNK. No, sir.

The CHAIRMAN. All right. The Chair will, without objection from the committee, indulge you for a brief statement.

Mr. SCHRUNK. First, I would like to say that it is going to take quite awhile to trace some of this history, and I trust that the committee will give me that opportunity. It is the history of the city of Portland relative to vice. I have some material I would like to talk about as we go along, and I trust that the committee, and I am certain that you, want all of the facts brought out to look at this matter on an impartial basis.

Frankly, I am astounded and amazed that a committee of the United States Senate is being used, without any knowledge on the part of you gentlemen certainly, for political purposes such as this.

The CHAIRMAN. Let me ask you, do you want to lecture the committee now, or do you want to give us facts and information?

Mr. SCHRUNK. I am perfectly willing to start in with facts.

The CHAIRMAN. I do not mind you talking about the committee and expressing your opinion of it.

Mr. SCHRUNK. I meant no disrespect to the committee, sir.

The CHAIRMAN. All right, proceed.

Mr. SCHRUNK. That is the reason I felt it was important that you give me an adequate opportunity to bring forth the history of what has transpired in our city.

The great majority of the people of Portland—

The CHAIRMAN. Mayor, the committee will be very glad to hear anything you have to say, so long as it is relevant and pertinent to the

purposes for which this committee was constituted, and so long as it is related to anything in your area.

Mr. SCHRUNK. Thank you, sir.

A great majority of the people of the city of Portland, both members of organized labor and our citizens have no use for racketeering either in organized labor or out of it. I am not here to defend anyone, either in the rackets or labor or those others. The facts of the case must be brought forth.

I would like to request of the chairman at this time that counsel return to me three affidavits that I could use in my testimony, that I loaned to him.

The CHAIRMAN. Will you name the affidavits, and identify them?

Mr. SCHRUNK. Two affidavits of Mr. James Bennett, who was on the stand this morning, and refused to testify.

The CHAIRMAN. Mr. Bennett will be recalled and you can tell anything you know, but I am not going to permit him to testify before this committee by affidavit?

Mr. SCHRUNK. Sir?

The CHAIRMAN. Not after he refused to testify. He was given an opportunity to permit the committee to examine him. I am not going to let his affidavits be used to state facts that he will not swear to.

Mr. SCHRUNK. May I use them as refreshers in my testimony?

The CHAIRMAN. You may say that you have affidavits from him, if you have.

Mr. SCHRUNK. But may I have the affidavits before me while I testify, sir?

The CHAIRMAN. The Chair would like to ask if the mayor furnished these affidavits to the committee.

Mr. KENNEDY. Yes; he did.

The CHAIRMAN. They may be returned to Mr. Schrunk, and he may state what he has in the way of documents. As far as the Chair is concerned, a witness who was given an opportunity to testify directly under oath like all other witnesses will not be given the opportunity to get his evidence in this record by the back-door method.

Senator MUNDT. I want to say that I thoroughly and completely support the Chair in that position. I do not believe the affidavits should be read by Mr. Schrunk or by anybody else. If he wants them to refresh his memory and then to make statements on his own recognition, that is one thing. But he should not be permitted to read the testimony of the witness who stands before us and refuses to testify under oath.

Mr. SCHRUNK. I understand the Senator's point.

Senator MUNDT. May I ask whether you agree that it is a valid point? If you were sitting on this side of the table, would you not take the same position?

Mr. SCHRUNK. Sir, I feel that Mr. Bennett has been intimidated before this committee.

Senator MUNDT. Intimidated?

Mr. SCHRUNK. Yes, sir.

Senator MUNDT. He was simply asked where he lived, and refused to announce where he lived.

Mr. SCHRUNK. Not by the committee, sir.

Senator MUNDT. Not by the committee?

Mr. SCHRUNK. No sir. Mr. Bennett talked to me in the hall yesterday, and at that time he stated that he had been threatened by Mr. Wally Turner, and told that they had this thing all set up, and that they were going to get him. At that time he said that he was going to tell the truth and request a lie detector test. What has transpired in the meantime, I do not know, sir.

Senator MUNDT. Who is Wally Turner? Is he a staff member?

Mr. SCHRUNK. I understand he is one of your consultants.

Senator ERVIN. He is a newspaperman.

Mr. SCHRUNK. That is apparently retained by the staff as an adviser.

Mr. KENNEDY. What did you say?

Mr. SCHRUNK. I said he is an adviser or consultant.

Mr. KENNEDY. You say he is retained by this committee?

Mr. SCHRUNK. According to what I read in the Oregonian before I left home.

Mr. KENNEDY. That he was retained by the committee?

Mr. SCHRUNK. He was a consultant with the committee.

Senator ERVIN. If I may interrupt counsel, I would just like to join Senator Mundt in stating that I am in complete approval of the course which the chairman has stated he proposes to take. From my experience as a trial lawyer and judge, I do think that there is but one way to get the truthfulness of evidence and that is by the cross-examination of the man that gives the evidence. I place very little value upon affidavits because when you reduce a statement of a person to writing, it is impossible to tell whether the statement is one made by a man with the fidelity to truth of George Washington, or a man who lacks such fidelity such as Ananias.

The CHAIRMAN. You may proceed with your statement.

Mr. SCHRUNK. Yes, sir. The vice situation in the city of Portland developed during World War II, like it did in many cities throughout the United States. At that time, there were several operators that were operating in the area. There at that time they operated on the premises that they couldn't be eliminated, so it would be open to all organizations on an equal basis.

I am not sure that, I only suppose, what Mayor Riley's position was. He was defeated by Mrs. Dorothy McCullough Lee, one of the finest mayors the city of Portland ever had. She is now here in Washington as general chairman of your Subversive Activities Commission.

I would respectfully suggest to the committee if they want to know about Mr. Elkins' activities and vice activities in the city of Portland, that they discuss the matter with Mrs. Lee.

The CHAIRMAN. She will be interrogated.

Proceed.

Mr. SCHRUNK. The vice situation in Portland has been intensified upon the defeat of Dorothy McCullough Lee by a candidate for office that was supported by Mr. Elkins, and at the same time I understand that he was involved in the support of a mayor in Seattle, Wash. In a pool of their activities in that race, they won in both instances.

Mr. Elkins has controlled law enforcement in the city of Portland, the police department, and I am unhappy to say, some members of the sheriff's department, through various activities and various means. One of them, I am afraid, in my personal opinion, has been blackmail.

I think one thing the committee should be interested in, and many of our people out in Portland are asking, is that if there was organized vice in our city which seemed lucrative to a group of racketeers from Seattle, how did it happen to exist? Who was in control while it existed?

The teamsters organization had been brought up a great deal. There are things I would like to say about that. I would like to point out that the former mayor appointed Mr. Clyde Crosby to the E. R. commission to spend \$8 million of our taxpayers' money. I am not condemning Mr. Crosby, and I don't know if he is guilty of anything or not. I can say at this time that he has never approached me for any illegal activities.

I would respectfully suggest to the committee in order to get the complete story that you consider bringing under subpoena the reporters from the Oregon Journal, our second daily paper, Mr. Rollo Frick, and Mr. Doug Baker, and Mr. Brad Williams.

The CHAIRMAN. Are they friends of yours?

Mr. SCHRUNK. No, sir; but they have done considerable work in this vice investigation. The Journal has taken an objective position on the problem. Let the chips fall where they may, as they rightly should.

The CHAIRMAN. Do you know that they have some information that would be helpful to this committee?

Mr. SCHRUNK. Yes, sir; I do.

The CHAIRMAN. All right. You advise them to so inform the committee, and the nature of that information, and the committee will be glad to consider it.

Mr. SCHRUNK. Thank you, sir.

Mr. Elkins maintained his control—

Senator McCARTHY. Could I interrupt just without going into detail roughly, to ask what type of information do you think they might be able to give.

As I say, I am not asking you for details. That will be up to them to give.

Mr. SCHRUNK. Relative to the operation of Mr. Elkins, some of his property manipulations, and things of that nature. I think it is important for the committee to have Mr. Elkins in his proper perspective, and to know exactly who he is and why he is doing some of the things he has, and why this fantastic story was told to you this morning.

Senator McCARTHY. Might I say to the chairman as far as Mr. Elkins is concerned, I think we all know he is under some 24 indictments, and we know that he has been the king of the underworld. There is no question about that.

However, the information that he has given has been corroborated, I believe, in almost every respect, so I doubt that anything would be gained by proving to us that Elkins is an underworld character. We know that already. We all know that. I would hesitate to bring three extra witnesses to prove what we already know about Elkins.

Am I right, Bob?

Mr. KENNEDY. I think on one of the first days of the hearing, there was a document circulated in the hearing, and on it was labeled that it had been prepared by the Oregon Journal. It was later found out that it was prepared by Mr. Brad Williams, who was one of the men

that Mayor Schrunk mentioned. The Oregon Journal then sent a telegram to the committee saying that they were going to take disciplinary action against the individual that prepared it, because it had so many false statements. They refuted it and said that they wanted to assure the committee they had nothing to do with it.

Senator McCARTHY. May I ask this, Mr. Counsel: While there is no question about the fact that Elkins was the king of the underworld—engaged in, apparently, many vice rackets—as far as the staff has been able to determine, while there are some things he will not tell the staff, what he has told them so far has been verified by affidavits and witnesses?

Is that roughly correct?

Mr. KENNEDY. That is correct. We have had approximately 20 witnesses before the committee, and we have had affidavits.

I will say this, also, about Mr. Elkins, that he has not refused to answer any questions so far.

The CHAIRMAN. Well, the Chair made the suggestion awhile ago, or a ruling if you want to interpret it as that, that since this witness feels that those he named of the Oregon Journal would be helpful he had them send to the committee a statement of what they know and what they would testify to. Then the committee can weigh it and if it has any real value they can be required to give that evidence under subpoena.

I do not want to just send out subpoenas for everybody unless I think that they can actually make a contribution.

Again, the Chair would like to say this committee is not investigating Mr. Elkins as a person. The committee is investigating what we regard as may be improper or illegal activities of labor and management. Insofar as they may have a tie-up, either or both of them, with underworld characters or they are wielding an influence in any kind of racket upon any city government or upon any State government, it is of interest to this committee.

I doubt if there could be any rackets without underworld characters. So Mr. Elkins has been placed on the stand here repeatedly, and he probably will be called again, and I do not know. As others will observe, we brought in witnesses to corroborate his statements. They are under oath and testify under oath. If they lie, they commit perjury. The committee can only proceed with this very difficult task and very arduous one in an orderly and judicious way insofar as it is possible to do so.

Senator McCARTHY. If I may take 10 seconds of the Chair's time?

I am certainly not coming to the defense of Mr. Elkins. The point I merely wish to make is that we all know what a rather fantastic record he has. He admits it. It is not a question of whether he is the king of the underworld or not. We know he is. We know he has been head of the crime syndicate. The question is whether or not what he has told us has been the truth.

I do not object to bringing three more witnesses here to tell us what we already know about Mr. Elkins, but I think the cost is rather great, and I think that perhaps the Chair and counsel have in mind spending their time either corroborating or vice versa on Elkins' testimony.

The CHAIRMAN. This witness is given the opportunity to refute testimony that has been brought before the committee that directly reflects upon him.

Is there anything else that you can give to the committee that will be helpful to it? If so, in the discharge of our responsibilities, we would appreciate it.

Let us proceed.

Senator MUNDT. I would like to add, Mr. Chairman, for Mr. Schrunk's benefit, that I know that every other member of the committee has exactly the same position that I have toward you. None of us know you. We bear you no ill-will. We are not here to whitewash you or to condemn you. We just want to get the facts. Certainly if you have any newspapermen or anybody else who requests the right to appear before this committee to refute evidence which we have heard, we will be glad to have our staff members contact them and to have them appear and testify under oath, but not as 10 opinions. We do not want opinions, and we do not want character witnesses, but if they have something to say in connection with the evidence and they can refute it or if they can verify it and prove some motive Mr. Elkins might have for telling us something which you might allege is untrue, we want to get down to the hard facts.

I will go further than that and say to you that if you have any question that you would like to have asked Mr. Elkins, or any of these witnesses who have testified to circumstances which are detrimental to you, if you will submit them in writing, if they are not slanderous in nature, we certainly will be glad to ask the witnesses those questions. We are simply trying to find out the facts.

Senator McCARTHY. Could I ask the witness a question?

You have suggested three witnesses. I think that is an excellent idea, to have witnesses suggest other witnesses, if they can be helpful. Do you know that in any respect they will refute the testimony of Elkins, or that they will show, as Senator Mundt suggested, or they will reflect upon his motives for testifying?

Mr. SCHRUNK. No, sir. I think what they will do, sir, is to place this whole problem in its proper perspective. The only reason this is before your committee, sir, is so that they can say or print things there that they would be subject to libel laws without the privilege of this hearing.

Senator McCARTHY. Now, let me just stop you right there. There is nothing libelous if it is the truth.

Mr. SCHRUNK. But it is not the truth, sir, and I shall try to go into that in detail. This is a political problem.

Senator McCARTHY. I do not want to interrupt counsel's examination, but you named three witnesses. I know nothing about them whatsoever. I have never seen you before, and I know nothing whatsoever about you either.

My only question is this: Do you feel that those three witnesses will be able to refute or contradict the testimony of Elkins or other witnesses who have appeared?

Mr. SCHRUNK. Yes, and I think that they will be able to explain to the committee why perjury was committed this morning.

In 1949 when I was appointed as sheriff, Mr. Jim Purcell served as chief of police of the city of Portland, and he was a candidate, with the support of Mr. Elkins. He was not appointed.

In 1950 I ran for election to the office of sheriff. They did not take any chance and they put a candidate on both parties with Mr. Glen Ackerman on the Republican Party and Mr. Bard Purcell on the Democratic Party. I was fortunate in defeating both of them.

Senator McCARTHY. Could I ask you this: I understand, and if I am wrong I am sure counsel will correct me, that the staff has interviewed Brad Williams whom you suggested as a witness, and Brad Williams has been unable to give any information of any value to the staff.

What, for example, do you think that we will gain by calling Brad Williams here? What can he give us that he has not been able to give the staff?

Mr. SCHRUNK. Sir, this whole controversy has been submitted to two grand juries in our own jurisdiction. It is not a matter that deals, in my opinion, with labor-management problems or racketeering. It is before your committee through the activities of a reporter from the Oregonian, maybe two of them, for political purposes.

Mr. KENNEDY. Do you know if they approached this committee first, or we approached them?

Mr. SCHRUNK. I do not know for sure.

Mr. KENNEDY. I would like to give you that information. You just made that accusation and we approached them. I got in touch with them.

The CHAIRMAN. Let us proceed. We can determine the politics of it as we go along, if we can get the facts. Let us get some facts.

Mr. SCHRUNK. Would you like me to tell you about the 8212 Club now?

The CHAIRMAN. Do you wish to make your statement about it or to be interrogated about it first? Let us just start with the testimony you heard this morning about the 8212 Club and your connection with it and what you did that night and so forth. Go ahead.

Mr. SCHRUNK. Do you want me to tell the story or does counsel—

The CHAIRMAN. Do you want me to ask questions about it? Were you there that night?

Mr. SCHRUNK. I would like to tell you how we came there because there was some allegation that apparently Mr. Maloney or somebody put the pressure on me to raid the place.

The CHAIRMAN. Proceed. Let me ask you first, before we get into that, let us get a little background since we are talking about motives. Let us get a little background here. Do you know this fellow Maloney?

Mr. SCHRUNK. I met him; yes sir.

The CHAIRMAN. Where was he from?

Mr. SCHRUNK. Seattle to the best of my knowledge.

The CHAIRMAN. What business was he in; what did he do?

Mr. SCHRUNK. I met him when he was in Portland during a campaign.

The CHAIRMAN. What was he doing during the campaign?

Mr. SCHRUNK. He was working on Mr. Langley's campaign.

The CHAIRMAN. He was working there in Mr. Langley's campaign?

Mr. SCHRUNK. Yes, sir.

The CHAIRMAN. Somebody came down from Seattle, Wash., to work in Mr. Langley's campaign?

Mr. SCHRUNK. Yes, sir.

The CHAIRMAN. Working as a labor leader and holding himself out as an official in the teamsters organization?

Mr. SCHRUNK. He didn't ever directly tell me he was, and he certainly represented he had connections with the teamsters.

The CHAIRMAN. And he came down from Seattle to help elect the district attorney; is that correct? In Portland?

Mr. SCHRUNK. Yes, sir.

The CHAIRMAN. And also to help elect the sheriff; did he?

Mr. SCHRUNK. No, sir; he didn't come down for that purpose at all.

The CHAIRMAN. Did he engage in that purpose after he got there?

Mr. SCHRUNK. It is conceivable that he did, sir.

The CHAIRMAN. He helped to elect you; is that not a fact?

Mr. SCHRUNK. I doubt if he was able to vote in our county.

The CHAIRMAN. I did not say he was able to vote.

Mr. SCHRUNK. He didn't serve on my campaign committee or anything of that nature.

The CHAIRMAN. He was managing the district attorney's campaign; is that correct?

Mr. SCHRUNK. Yes, sir.

The CHAIRMAN. And at the same time working for you as one whom the teamsters union had endorsed, by the teamsters officials; is that not true?

Mr. SCHRUNK. I was endorsed by all of organized labor; yes, sir. There were a great many of us. It is conceivable that he might have said a word in our behalf, although I doubt if a word from him in my behalf would have done much good.

The CHAIRMAN. Now, proceed with your statement as to why you happened to come to the club.

Mr. SCHRUNK. On the second of September 1955, I received a letter in compliance with my request from a detective on my staff, as sheriff of Multnomah County. The detective's name is James E. Madison. The day before he had told me in conversation that he was questioning a person on a bad check charge.

One of the checks had been floated in an after hours establishment in the Kenton area. I asked him to get the details. This letter is fairly lengthy, two pages, and it goes into details.

Based on this information, I directed Detective Minielly to check out and see who owned the establishment and to take necessary action to get it out of operation. It wasn't the first time that we had had trouble in that area.

Back in 1954, I believe, I called the Oregon Liquor Control Commission and the city police and asked them to close up the establishment, that I had had complaints from businessmen in the area on it.

Apparently, there was a raid on the 12th of December 1954, and complaints were issued on August 26, 1954. This was a complaint against Mr. Clifford D. Bennett, 8212 North Denver, for illegal sale, that is, unlawful sale; excuse me. The fine was paid of \$100 on that conviction.

Mr. Minielly checked out the ownership of the establishment and found it was sublet to a Mr. and Mrs. Seth and Ethel Patrick, to operate the Kennell Auction Furniture Co., residence 5329 North Princeton Street.

Mrs. Patrick states that they rented the upstairs to a Jimmy Bennett, no address, who paid \$100 cash money per month, and his lease stated for living quarters, and the lease was up about 1 month ago.

It further states that Bennett said everything was O. K. and "nothing to worry about. The police will not bother us." It goes on to state he is quite frequently seen talking with the police.

Following that discussion, Mr. Minielly informed the lady that the sheriff had ordered if the city did not close the place up, he was going to and we were going to try to move for abatement unless we could get legal papers for search warrant and arrest warrant.

Following that, Mr. Bennett contacted Mr. George Minielly by telephone and wanted to meet with him and talk this problem over. Mr. Minielly reported to me and he said there was nothing to talk about and that the place either went out of business or they would be out there tearing it apart.

The place did close for a day or two. I believe it was on a Saturday night and I am not sure.

On September 11, 1955, I happened to be checking around the county and that happened to be in the north end of town in the general direction in which I resided and I drove by and was surprised to see people pouring in and out of it.

I didn't have search warrants, or arrest warrants. I felt that we could move against it by having a check for drunks and people like that. So I called my uniformed sergeant and asked him to move cars into the area.

He did so. They formed up and walked a beat in front of the place. I informed one young officer there with the sergeant, that if he had an opportunity to make a legal entry to the establishment, to do so.

The CHAIRMAN. Was the establishment open?

Mr. SCHRUNK. Yes, sir.

The CHAIRMAN. You can make a legal entry to any place that is open; can you not?

Mr. SCHRUNK. No, sir; you can't under Oregon law, sir.

The CHAIRMAN. You mean a public place?

Mr. SCHRUNK. This wasn't a public place. It is not public, sir. This is a private after-hours club.

The CHAIRMAN. All right, proceed.

Mr. SCHRUNK. In order to force the bar doors, we would have to have a search warrant, or an arrest warrant.

Mr. KENNEDY. Didn't you get into the place?

Mr. SCHRUNK. Did we?

Mr. KENNEDY. Yes.

Mr. SCHRUNK. Yes. This officer that I directed to make legal entry if possible. The reason I wanted him to make legal entry was if we could see any violations of law such as a slot machine, under Oregon law it is illegal to possess, and you don't have to do that. We could immediately make an arrest, providing our entry was legal.

This officer, one officer, Deputy Groves, waited until a crowd came up the stairway and followed in behind them. People were properly identified and went inside the establishment and Groves got inside behind them.

He started looking around to see if he could see any slot machines. He reported back to me later that he got in and was looking around and working his way around when Mr. Bennett came over and demanded to know if he had a warrant.

Mr. KENNEDY. You have made a legal entry and he saw this gambling going on?

Mr. SCHRUNK. There was a card table, a 21 table, but there was chips on it, sir.

Mr. KENNEDY. And he saw them serving drinks?

Mr. SCHRUNK. That is right.

Mr. KENNEDY. He saw all of this, and the gambling establishment and drinks and he had got legal entry?

Mr. SCHRUNK. Yes, but he still did not have grounds to make an arrest.

Mr. KENNEDY. For what reason?

Mr. SCHRUNK. In order to make an arrest for an illegal sale you must make a "buy." You have to buy. It is not illegal to give liquor away, but you have to make a "buy."

Mr. KENNEDY. Or see it happening?

Mr. SCHRUNK. No, sir.

Mr. KENNEDY. Do you have to play the game?

Mr. SCHRUNK. You have to either play it or you have to see money on the table changing hands.

Mr. KENNEDY. He did not see any of that?

Mr. SCHRUNK. No, sir.

Mr. KENNEDY. He got in there and nobody knew he was in, and this gambling was going on and he did not see anything?

Mr. SCHRUNK. He saw the chips on the table, sir, according to his report, when he backed out. We would be thrown out of the court if we tried to bring something like that in.

Mr. KENNEDY. He did not see any money at all?

Mr. SCHRUNK. No, sir.

Senator McCARTHY. I do not quite understand, if I may interrupt the chief counsel, your testimony that you could not enter an after-hours joint without violating the law.

Mr. SCHRUNK. Pardon me?

Senator McCARTHY. I do not understand what I thought was your testimony that the law-enforcement agencies could not enter an after-hours joint and that, of course, was operating in violation of the law.

Mr. SCHRUNK. Sir, there was a barred door and it is like a man's home and without a search warrant you cannot break it down and go in.

Mr. KENNEDY. But they were in. There is nobody breaking anything down and he was in.

Mr. SCHRUNK. Even after he is in, sir.

Mr. KENNEDY. Don't keep talking about it being a man's home and breaking it down. Nobody is breaking it down. They were in.

Senator GOLDWATER. Was this a private club?

Mr. SCHRUNK. Yes, sir, it operates the same as a private club.

Senator GOLDWATER. A person has to have a membership to get into it?

Mr. SCHRUNK. I had one of the membership cards that we were able to find. And this is what they use. [Witness illustrating.]

Senator GOLDWATER. What was the price of that card?

Mr. SCHRUNK. I don't know, sir.

Senator GOLDWATER. Do you know the qualifications for membership?

Mr. SCHRUNK. I imagine that you wanted to gamble and drink liquor after 2:30 in the city. It wasn't an exclusive membership.

Senator GOLDWATER. It is a private club—

Mr. SCHRUNK. Senator, I haven't finished yet. It was not licensed by the State.

Senator GOLDWATER. They are open after 2:30 and it is against the law?

Mr. SCHRUNK. I might point out that under city ordinance in the city of Portland, it is illegal to have groups behind barred doors. City police could move in at nighttime on that basis. But the sheriff only has the power of the State statute.

Senator GOLDWATER. Was it against the law for a private club to be open after 2:30 in the morning?

Mr. SCHRUNK. No, sir.

Senator GOLDWATER. Was it against the law for a private club to give liquor away?

Mr. SCHRUNK. No, sir.

Senator GOLDWATER. But it would be against the law for a private club to sell liquor after 2:30?

Mr. SCHRUNK. After 2:30, yes, sir.

Senator McCARTHY. Finishing my line of inquiry, the two uniformed policemen—

Mr. SCHRUNK. One, sir.

Senator McCARTHY. They were allowed admittance to this after-hours club, so there was no question of breaking in. They knew they were violating the law. Can you tell us why the place was not raided, and why the operator was not arrested?

Liquor was being dispensed and money was being passed out. Whether it was a direct or indirect payment for the liquor does not make much difference. I am sure we agree on that.

I just am curious to get your explanation of why you say, "Well, they couldn't break in," or, "They couldn't arrest them. They would have to break through barred doors and it would be like going into a man's home."

That is, of course, obviously not true. They were in this club that was operating illegally. Now, could you shed some light on your answer to Mr. Kennedy's question?

Mr. SCHRUNK. First, there was only one officer, sir. Deputy Groves was the officer that went in. There was some testimony this morning that somebody said two officers, but to the best of my knowledge, there was only one.

There was one particular officer. He went in behind a group. There have been a great many cases of false arrests where arrests have been made and even though we know it is quite apparent what has been going on, operating under State statutes you must have the evidence.

Senator McCARTHY. When a police officer sees liquor being dispensed and sees gambling going on, and he sees money passing hands, is there any further evidence you would need?

Mr. SCHRUNK. Yes, sir.

Senator McCARTHY. What further would you need?

Mr. SCHRUNK. Well, in order to get our gambling conviction, with the exception of possession of slot machines, we have to get a man into the game or to watch. We have difficulty even in those cases getting the actual money on the table.

But you just can't because there are chips there. It is not illegal to play cards. It is illegal to gamble. You have to have something of value. The chips have not been ruled as anything of value in a court case.

Senator GOLDWATER. I would like to ask one more question. Was this Officer Groves in uniform?

Mr. SCHRUNK. Yes, sir.

Senator GOLDWATER. And he sneaked in?

Mr. SCHRUNK. It was dark and he went in. They opened this barred door and it is my understanding and I didn't observe him do it, and he went upstairs and I was down with the sergeant and some of the other officers.

He followed a group of 5 or 6 people that had the password and when the barred door was thrown open to admit them, he went in and he sneaked in behind them. He was in there an extremely short time and he didn't have an opportunity to get over to the bar. It is a fairly large establishment and I believe the committee has pictures of it.

I had occasion to visit it afterward, and we requested Mr. Bennett to allow us to look it over and asked him if he objected after it had been emptied and seeing the place. The reason we did that was we intended to do everything we could to get a paper to take it out of there and we were going to have a raid and it is best to know what you are raiding.

It would seem that the committee would certainly be interested in the testimony of the officers that made the investigation. That is, the officers that worked on the raid and the detectives that worked on it ahead of time.

The CHAIRMAN. We are interested. You are one of them?

Mr. SCHRUNK. I am one, and there has been this morning a parade of quite an array of individuals.

Senator GOLDWATER. Did you plan to raid this place before you went there?

Mr. SCHRUNK. No, sir. I assumed it had been closed and stayed closed.

Senator GOLDWATER. What detectives are you referring to that worked on the raid?

Mr. SCHRUNK. Not worked on the raid, but investigated the establishment, and the one I mentioned here on the bad check and found out that the place was going again, and Detective Minielly who went out and interviewed the lessor, the person who had the property.

Senator GOLDWATER. Did you know this club was open that night when you drove by?

Mr. SCHRUNK. I realized it when I saw the people streaming in.

Senator GOLDWATER. When did these detectives work on it to find out that it was open?

Mr. SCHRUNK. They investigated—let's see—Detective Minielly's report is under date of September 9.

Senator GOLDWATER. And the night you went there was September 11?

Mr. SCHRUNK. Yes, sir, and I believe on the 10th they were closed, according to the detective's report.

Senator GOLDWATER. They hadn't reported to you that it was opened on September 9?

Mr. SCHRUNK. Pardon me?

Senator GOLDWATER. Had they reported to you it was open on the 9th?

Mr. SCHRUNK. No, sir, the report is under date of September 9 that the investigator was out and talked to the people that had the property.

Senator GOLDWATER. You had not seen that report when you drove by?

Mr. SCHRUNK. Pardon me?

Senator GOLDWATER. You had not seen that report when you drove by?

Mr. SCHRUNK. This report, I imagine that I probably had, yes.

Senator GOLDWATER. Then, you had strong reason to suspect that it was open?

Mr. SCHRUNK. No, I didn't because I was under the impression I believe Mr. Minielly had reported it was closed on the 10th and he had been out to investigate. He had been there and he said it was closed down.

Senator McCARTHY. Could I ask a question there? Mayor, you were in the establishment the night of the raid, is that right?

Mr. SCHRUNK. Yes, sir, later on. I had an opportunity to enter the establishment.

Senator McCARTHY. And were you there before the raid or after the raid?

Mr. SCHRUNK. It was after the raid, sir.

Senator McCARTHY. After the raid?

Mr. SCHRUNK. Yes, sir; after all of the people had gone out, and Mr. Bennett came down and locked the place up and the sergeant and I were talking there and the sergeant suggested that he might be willing to invite us in.

So we suggested and we said we would like to see what the club looked like.

Senator McCARTHY. And the sheriff and you went into this place, then?

Mr. SCHRUNK. The deputy sheriff and the sergeant and I believe one uniformed patrolman.

Senator McCARTHY. You were the sheriff?

Mr. SCHRUNK. Yes, sir.

Senator McCARTHY. You and your deputy, I mean.

Mr. SCHRUNK. Yes. There was a sergeant and possibly another officer and I am not positive and Mr. Bennett. The club by that time had been vacated.

Senator McCARTHY. In other words, there was no one there anymore at that time?

Mr. SCHRUNK. That is right. We had also made some arrests outside for drunks and disorderly conduct and things of that nature. You see, what people like Mr. Elkins fear the most is abatement. They are willing to pay their \$100 fine and they were talking about \$1,500 this morning.

I invite the committee to check court records of my county to see what fines these people pay. They are willing to pay a nominal license fee, but they get real worried when you abate their place. That is, to lock it up.

Senator McCARTHY. Did you take action to abate the proceedings?

Mr. SCHRUNK. No, sir; because it did not open up after that. We closed them that night and they stayed closed.

Senator McCARTHY. In other words, that night you arrested some drunks coming out of the place, is that right?

Mr. SCHRUNK. Yes, sir. My deputies did.

Senator McCARTHY. You did not arrest the operator?

Mr. SCHRUNK. No, sir. We had no grounds to actually arrest him on, sir.

Senator McCARTHY. I think that I will let counsel continue. I do not want to interrupt counsel's sequence of questioning.

The CHAIRMAN. May I get one thing clear? You say that you got there after the raid. You mean you got inside after the raid?

Mr. SCHRUNK. Yes, sir.

The CHAIRMAN. You were already there giving directions to begin with?

Mr. SCHRUNK. Yes, sir; I was outside the establishment and I called from there by two-way radio for the sergeant. You see, this is near the city boundary and it is only a few blocks within the city limits of Portland.

Mr. KENNEDY. Would you answer again for this committee why you did not take action to have it abated?

Mr. SCHRUNK. Because the place didn't open after that.

Mr. KENNEDY. The next morning, why did you not take action to have it abated? You did not know it was not going to open up again.

Mr. SCHRUNK. We were watching it.

Mr. KENNEDY. Why did you not take action to abate it? You say these people did not want to have it abated. Why did you not take action to have it abated?

Mr. SCHRUNK. We certainly would, if they had tried to run it again.

Mr. KENNEDY. Why did you not do it that time? You caught all of these bad things going on, which you hate so much and you want to destroy in your city, and you had your chance there, and Mr. Bennett was running this place and running a gambling place and selling liquor afterhours, and why did you not get it abated next morning, the first thing?

Mr. SCHRUNK. We would have asked for abatement.

Mr. KENNEDY. Why did you not? You say, "We would have." But why did you not?

Mr. SCHRUNK. They were out of operation.

Mr. KENNEDY. They were out of operation that morning? Did you have a search warrant and go in and seize all of their equipment?

Mr. SCHRUNK. You couldn't seize the equipment, sir.

Mr. KENNEDY. What made you think they were out of operation?

Mr. SCHRUNK. Because the patrol cars were there to check the place.

Mr. KENNEDY. You always had that? I thought you said that these people dislike having their place abated. Why did you not abate it the next morning? You had this evidence, and why did you not get it abated the following day? Why did you never have it abated, Mayor Schrunk?

Mr. SCHRUNK. Well, it is not running, sir.

Mr. KENNEDY. Was it not running the night before?

Mr. SCHRUNK. Yes, sir.

Mr. KENNEDY. No place is running the following morning after there has been a raid. Of course it is not running.

Mr. SCHRUNK. It was not a raid.

Mr. KENNEDY. Oh, come on, Mayor Schrunk, you were in there and you had a policeman in there and you saw gambling and you saw the place. You saw them having drinks and you had all of that evidence, and why did you not have it abated?

Was it because you got the \$500?

Mr. SCHRUNK. No, sir; I never got that.

Mr. KENNEDY. Wasn't that the reason you did not have it abated?

Mr. SCHRUNK. No, sir.

Mr. KENNEDY. Wasn't that the reason you did not take any action, and don't you know that was the reason?

Mr. SCHRUNK. No; I know it was not the reason.

Mr. KENNEDY. Why didn't you take any action the following morning?

Mr. SCHRUNK. I certainly would if they had opened up.

Mr. KENNEDY. Because you had the agreement with Bennett and you got \$500; isn't that the reason?

Mr. SCHRUNK. There was no agreement with Mr. Bennett.

Mr. KENNEDY. You cannot deny that you failed to take action; is that not right?

Mr. SCHRUNK. I did take action, and I closed the place up and it stayed close.

Mr. KENNEDY. You did not abate it, did you? You did not have it abated?

Mr. SCHRUNK. I had them out of operation. That was the objective.

Senator McCARTHY. I do not understand your answers to counsel's questions at all. You first told me that you arrived after the raid. In answer to Senator McClellan, you said you were there and ordered the raid.

Now, which is correct?

Mr. SCHRUNK. Sir—

Senator McCARTHY. Or is my hearing bad?

Mr. SCHRUNK. I think probably there is a misunderstanding. I came by the establishment, and you had a diagram this morning, and I drove right in front of the place, and I saw that there was some activity. At that time, I notified by two-way radio the sergeant to come to this establishment.

Senator McCARTHY. And you were in the establishment present during the so-called raid, is that right?

Mr. SCHRUNK. No, sir.

Senator McCARTHY. Where were you?

Mr. SCHRUNK. I was outside.

Senator McCARTHY. You were outside?

Mr. SCHRUNK. Yes, sir.

Senator McCARTHY. But your deputies had been ordered by you to go in and conduct the raid?

Mr. SCHRUNK. No, sir. We didn't have search warrants, and we didn't have an arrest warrant.

Senator McCARTHY. They got in, did they not?

Mr. SCHRUNK. One of the officers followed a group in, and I suggested that they ask him to see if he could make a legal entry.

Senator McCARTHY. And he made the legal entry?

Mr. SCHRUNK. Yes, sir.

Senator McCARTHY. What was he supposed to do after he made the legal entry?

Mr. SCHRUNK. If he saw any slot machines, or anything that he could make an arrest on, he should do so.

Mr. KENNEDY. There are other things that are illegal. It is not just slot machines?

Mr. SCHRUNK. Not under our statutes that you can seize on sight.

Mr. KENNEDY. That is not the question, whether it constitutes gambling. You are not talking about seizing these things. You are talking about what constitutes gambling. Now, wasn't there equipment in the room that constituted gambling per se?

Mr. SCHRUNK. No, sir.

Mr. KENNEDY. There was not?

Mr. SCHRUNK. There was material, but now——

Mr. KENNEDY. Under the Oregon statute, does not some of that material constitute gambling, per se?

Mr. SCHRUNK. Slot machines do.

Mr. KENNEDY. No; anything else?

Mr. SCHRUNK. No, sir; it is not illegal to have cards, chips, and tables.

Mr. KENNEDY. What about the cloth that they play games on? There was one of the items, Twenty-One.

Mr. SCHRUNK. I don't believe so, sir.

Mr. KENNEDY. We will find out.

Mr. SCHRUNK. You can check the establishment, but I am quite sure——

Senator McCARTHY. You called the police officers, did you?

Mr. SCHRUNK. Yes, sir.

Senator McCARTHY. Did you call the two police officers to come down and pick up this bicycle that was testified about this morning?

Mr. SCHRUNK. Yes, sir.

Senator McCARTHY. Can you tell us now why you arrested a couple of drunks coming out of the place? You had an officer in the place. Why did you not arrest the operator, and why immediately the following morning did you not take proceedings to have it padlocked or abated or whatever term you used? I am extremely curious about that.

Mr. SCHRUNK. Abatement proceedings, sir, is to place an establishment out of operation. We use it on houses of prostitution and things after there have been arrests made. On after hours illegal liquor places, there must be arrests made; drinking, and things of that nature..

Senator McCARTHY. You said there must be arrests made. You did arrest some drunks coming out of the place, and that is some slight indication they may have been drinking.

Mr. SCHRUNK. They were convicted of that.

Senator McCARTHY. So arrests were made?

Mr. SCHRUNK. Yes, sir.

Senator McCARTHY. So my question is, Why did you not, as the sheriff, take proceedings immediately? I am repeating Mr. Kennedy's question, to have abatement proceedings commenced. Why did you decide to wait?

Mr. SCHRUNK. Those arrests, sir, move on abatement, normally to build up over a period of time, that you show there has been a disorderly place run. On one occasion we made these arrests. Whether or not that was sufficient grounds to move for abatement, I am not prepared to say, sir, and I am not an attorney. But had they tried to operate, we would have moved in 2 or 3 different directions. We would have tried to get an undercover agent in the establishment to make a legal "buy," or to make a purchase of liquor, or someone in the gambling game. Based on that, we would have attempted to secure search warrants and arrest warrants.

Senator McCARTHY. Now, Mayor, the drunks, according to their records, I understand, told the officers that they had been drinking in this establishment. They were picked up and given some minor sentence, but the owner of the establishment was not touched at all.

Was there anything lacking to commence abatement proceedings or to arrest the owner of the establishment?

I asked this because you are accused, you see, of having received \$500 to avoid abatement proceedings. In fairness to you, I think that you should be entitled to tell us just why you did not start those proceedings when you had every element there necessary.

Mr. SCHRUNK. Well, sir, I guess the only reason I can say is that I had a big job, and lots of things to do.

The CHAIRMAN. You had what?

Mr. SCHRUNK. Pardon me?

The CHAIRMAN. I did not understand you.

Mr. SCHRUNK. I said I had a big job to do, and I was working hard at it, and trying to take care of the problems of the county. This was within the city, and we felt that if we closed it up—

The CHAIRMAN. You found an immediate job to do there; did you not?

Mr. SCHRUNK. Yes, sir; and I came by and I saw something wrong, and we moved.

The CHAIRMAN. All right.

Senator GOLDWATER. Mr. Mayor, in your experience as sheriff, how did you usually close up a place like that?

Mr. SCHRUNK. We generally tried to get an agent inside, an undercover agent.

Senator GOLDWATER. What, physically, did you do as sheriff, or your undersheriffs do, to close a place like that?

Mr. SCHRUNK. Normally, for instance, on some of the houses of prostitution, Mr. McCourt was district attorney, and after we had several arrests over a period of time we moved against the property on abatements.

Senator GOLDWATER. Was it customary for you personally, or your deputy sheriffs or undersheriffs, to padlock or in some physical way close up the premises?

Mr. SCHRUNK. No, sir.

Senator GOLDWATER. Is it not true, in this case, that the owner himself went back and closed it up himself?

Mr. SCHRUNK. Yes, sir.

Senator GOLDWATER. So you did not close it up?

Mr. SCHRUNK. No, sir. I had no legal right to his property. I knew he was wrong, but in law enforcement there are many things you know sometimes, but it doesn't make a case.

Senator GOLDWATER. Have you not been inferring that you did close it up, and you did not feel there was any need for abatement proceedings because you had closed it up?

Mr. SCHRUNK. The term I used maybe was "closed up," and I didn't say possibly put them out of business. Because of our interest there, he went out of business.

Senator GOLDWATER. How could you say he went out of business when the owner went back and closed the place up? He could have opened it the next day or the day after or anytime he wanted, and you had in no legal way—or no use of the force behind your office—closed that; had you?

Mr. SCHRUNK. No, sir; except by having the uniformed officers out there running these customers away.

Senator GOLDWATER. Were they out there the next day trying to run them away?

Mr. SCHRUNK. They would have been there if he had tried to open, and if we hadn't had legal grounds to move on by that time.

Senator GOLDWATER. You did not actually close that as we understand the sheriff closing up an illegal place of business; did you?

Mr. SCHRUNK. Sir, I don't know what you understand as the sheriff. We have closed up quite a lot of places one way or another.

Senator GOLDWATER. One way or another? Was this one of the ways, where you let the owner go back after you found him operating illegally, and let the owner go back and close up himself?

Mr. SCHRUNK. Sir, I had no right to take custody of his building, and apparently it was his property, although I knew in my heart that he was operating illegally. I still didn't have any legal ground to move on. I don't know if the Senator is aware of the great many cases that have occurred of false arrest and illegal search, but it is a constant problem to law-enforcement officers throughout the land.

Senator GOLDWATER. What I am trying to establish here is that you did not actually close that place up. Did you have an agreement with the owner that he would not open?

Mr. SCHRUNK. He told me that night that he wanted to know first when he came out to see me. First he talked to the sergeant, and he said he wanted to know what they were doing there, and the sergeant said:

We are going to maintain walking beats here as long as you are open.

And he said:

Well, who should I see? They can't do that. They are ruining my business.

Senator GOLDWATER. Would you answer that question? Did you have an agreement with the owner that he would not open up?

Mr. SCHRUNK. Well, he said that he definitely, if we are taking that attitude, he would be out of business and he would not run it again.

Senator GOLDWATER. Did he tell you that he would not open up the next day?

Mr. SCHRUNK. I don't recall exactly what he did say, sir. But that was, yes, I would guess that the inference was that he knew we knew about the establishment, and it was too hot for him.

The CHAIRMAN. So the result was he just moved to another location and opened up again; is that not true?

Mr. SCHRUNK. Apparently that is true, and we found out about it, and we put men in that place and closed him there, too.

The CHAIRMAN. He opened up at 1805 Southwest Fifth?

Mr. SCHRUNK. That is right. I put 5 people inside that place, and they went in undercover in plain clothes, 2 women and 3 officers.

The CHAIRMAN. Did you abate that place?

Mr. SCHRUNK. No, sir.

The CHAIRMAN. No, sir?

Mr. SCHRUNK. I got arrest warrants on that one.

The CHAIRMAN. You got an arrest warrant, but you did not abate it, the same man operating?

Mr. SCHRUNK. We were not able to serve the warrant because he went out of business.

The CHAIRMAN. He went out of business?

Mr. SCHRUNK. Yes, sir.

The CHAIRMAN. All right.

Proceed.

Mr. KENNEDY. I would like to ask you, Mr. Mayor, that evening, if we have the chart, for what reason did you go through the place again?

Mr. SCHRUNK. To look it over so we would be familiar with it and we could get legal paper to raid it if they opened up again.

Mr. KENNEDY. Did you ask to go through it?

Mr. SCHRUNK. We suggested to Mr. Bennett that we would like to see his establishment.

Mr. KENNEDY. And he took you through?

Mr. SCHRUNK. He said he had no objections.

Mr. KENNEDY. Did you see any kind of a layout there?

Mr. SCHRUNK. Yes, sir; there was a bar and some tables.

Mr. KENNEDY. What kind of tables?

Mr. SCHRUNK. I don't know, small tables that I assumed the people who were drinking or dancing—

Mr. KENNEDY. Was there any gambling equipment there?

Mr. SCHRUNK. There were 1 or 2 higher tables that possibly or probably were "twenty-one" or blackjack.

Mr. KENNEDY. How were they covered? Were they just plain tables or were there cloths on them?

Mr. SCHRUNK. I don't remember, sir.

Mr. KENNEDY. You were up there getting information to find out about the place, and what was there on the tables?

Mr. SCHRUNK. I was more interested in the windows, exits, and doors, and things of that kind.

Mr. KENNEDY. You were not interested in the equipment there?

Mr. SCHRUNK. Well, yes.

Mr. KENNEDY. Do you not know what kind of equipment they had up there, and what gambling equipment?

Mr. SCHRUNK. They had tables.

Mr. KENNEDY. Gambling tables, were they not, and gambling equipment?

Mr. SCHRUNK. The type that can be certainly used.

Mr. KENNEDY. Is gambling, or that kind of gambling legal in Oregon?

Mr. SCHRUNK. No, sir.

Mr. KENNEDY. Is it not a fact that that kind of gambling equipment, the possession of that kind of gambling equipment, just as a possession of slot machines, is illegal?

Mr. SCHRUNK. No, sir.

Mr. KENNEDY. You are sure of that?

Mr. SCHRUNK. In my opinion, it is not illegal to possess.

Mr. KENNEDY. Just slot machines?

Mr. SCHRUNK. Yes; they may be seized upon sight.

Mr. KENNEDY. And you say that your deputy sheriff got up there and all he saw was people getting drinks, and he never saw them paying for the drinks; is that right?

Mr. SCHRUNK. You have a picture of the establishment. It is rather large, and the bar is quite a little ways from the door, and all he could apparently see would be—

Mr. KENNEDY. Do you mean to tell me you got someone up there and he never saw that?

Senator McCARTHY. He has not answered your question. You have not answered counsel's question. I would suggest that the reporter read it again, if you do not mind.

The CHAIRMAN. Read the previous question, Mr. Reporter.

(The reporter read from his notes as requested.)

Mr. SCHRUNK. Sir, all I can testify to is what the officer reported when he came back downstairs to me. The best witness for that fact would be the officers concerned themselves. Certainly I would suggest that those officers be brought back since this has become an issue.

Senator McCARTHY. Mr. Mayor, can you tell us what the officer told you? You were in this joint and you were curious to know what was going on. What did the officer tell you? Did he tell you drinks were being served?

Mr. SCHRUNK. The officer came down and said that he couldn't see any slot machines.

Senator McCARTHY. Did he tell you that drinks were being served?

Mr. SCHRUNK. Yes, sir; he said they were drinking in the place.

Senator McCARTHY. He said there was drinking?

Mr. SCHRUNK. And quite a lot of people in there.

Senator McCARTHY. And, of course, you knew that this was not a charitable institution and drinks were not being given away. You knew that; did you not?

Mr. SCHRUNK. Yes, sir.

Senator McCARTHY. So you knew that there was some money being paid somehow for the liquor, after hours, illegally?

Mr. SCHRUNK. Yes, sir. In my own mind, I was completely satisfied, but that doesn't form the basis for an arrest, sir.

Senator McCARTHY. When the drunks were arrested and they said that they had gotten drinks in the place, and when you went into the

place and talked to Bennett, what did you tell him? What did you ask him about? Did you ask him whether there was gambling, or ask him whether he was giving away the drinks, or whether somebody was buying them?

I would like to know about that conversation. You are accused of something very serious here.

Mr. SCHRUNK. I know.

Senator McCARTHY. Just what conversation did you have with him?

Mr. SCHRUNK. Well, sir, I don't know what conversation I had with Mr. Bennett. The problem was, as far as I was concerned in my own mind, I know he was operating illegally, and I wanted him out of business, one way or another. If I could have arrested him on the spot, if I felt in my own mind I had any ground to do it, I would have done it.

Senator McCARTHY. And you felt you had no ground?

Mr. SCHRUNK. I felt I had no grounds at the time.

Senator McCARTHY. You said a minute ago that you were principally interested in the windows and other exits and not in the gambling equipment. Did I hear you correctly?

Mr. SCHRUNK. No, sir; I don't think so. You read something into that answer.

Senator McCARTHY. I am sorry if I did.

Mr. SCHRUNK. I said, or the counsel asked me, if I looked at the top of the table, what it was made of. I said on my trip in there I was looking at the windows and exits and things like that, primarily to see ways to get in in case we had to have a raid.

Senator McCARTHY. Mr. Mayor, did you look over the place to see whether or not there was equipment which would normally be used for gambling?

Mr. SCHRUNK. Yes, sir. One of the officers went through some of the back rooms, and there were some back rooms, thinking even then we might find a slot machine stored.

Senator McCARTHY. Just in fairness to yourself, is this not correct: That as you went through the place you knew it was a gambling joint, and you knew they were violating the law and selling liquor after hours, and you arrested the drunks who told the officers that they had bought drinks in the place, and you had every reason to have the place padlocked or abated, call it whatever you may? Is that not roughly the picture?

Mr. SCHRUNK. Well, sir, I am afraid that you don't understand the law as it pertains to our State. I am not sure what it is in yours.

Senator McCARTHY. Well, I have never practiced law in your State but I understood the laws were almost the same as in our State, as far as gambling is concerned. I am not asking you about the law. I am asking you a simple question and I would ask the reporter to read that question to you.

(The reporter read from his notes as requested.)

Mr. SCHRUNK. It is a pretty long question, and I can't give you a "Yes" or "No" answer. If you care to break it down, I will be most happy to try to answer it to the best of my ability.

Senator McCARTHY. We will break it down, then. We will break it down.

No. 1: You knew that there was gambling equipment in the institution; is that right?

Mr. SCHRUNK. After I visited the establishment; yes, sir, I felt that the equipment there had been used for gambling purposes.

Senator McCARTHY. There was no doubt in your mind on that?

Mr. SCHRUNK. No, sir.

Senator McCARTHY. No. 2, after the drunks were arrested and they admitted that they had bought drinks in the place after hours, was there any doubt in your mind that they had been dispensing liquor?

Mr. SCHRUNK. No, sir, I felt in my own mind that they had been.

Senator McCARTHY. And the officer who reported to you told you that they had been dispensing liquor, so there is no doubt in your mind on that; is there?

Mr. SCHRUNK. No, sir, there was no doubt they were dispensing liquor.

Senator McCARTHY. Then you had every ground to have the place padlocked; did you not?

Mr. SCHRUNK. No, sir; I don't have the authority to.

Senator McCARTHY. Then let us get back to your conversation with Bennett. Did you tell him that you would not have it padlocked if he moved to some other location?

Mr. SCHRUNK. No, sir.

Senator McCARTHY. What, if anything, did you tell Bennett?

Mr. SCHRUNK. Only that we wanted him out of business, and we were going to keep the men on the place until we got him one way or another, either through abatement, arrest proceedings, operators that we would be able to get in the establishment, or whatever the possibility.

Senator McCARTHY. You knew he opened up another place?

Mr. SCHRUNK. I didn't know it until the information came back later on that there was another establishment operating.

Senator McCARTHY. In other words, you learned that after he closed this spot, he promptly opened another spot; is that right?

Mr. SCHRUNK. I don't know that; no, sir.

Senator McCARTHY. You do not know it now?

Mr. SCHRUNK. I don't know when he opened the club up in the old house at 8018-something Fourth or Fifth Street.

Senator McCARTHY. You know it was done rather quickly after he closed the old spot; do you not?

Mr. SCHRUNK. Well, I don't recall when it came to our attention. We put the officers into the place as soon as the complaints started coming in.

Senator McCARTHY. You found, pardon me, a character operating an illegal joint? You told him that if he would quit business you would not padlock the place or have him arrested, I assume?

Mr. SCHRUNK. No, sir.

Senator McCARTHY. Am I wrong in that?

Mr. SCHRUNK. I didn't have the authority to padlock it, sir.

Senator McCARTHY. Take proceedings to have it padlocked, then?

Mr. SCHRUNK. No. I threatened him. If the place tried to run, we were going to put him out of business one way or another, within the law.

Senator McCARTHY. Then did you check to see whether he went into the same business in a different building?

Mr. SCHRUNK. Sir, our department, the sheriff's department doesn't do the normal police work inside the city of Portland. The only time that we move into the city of Portland is when the complaints come in and the local law enforcement refuses to act on them.

Senator McCARTHY. Could I ask you this question—If I am getting ahead of your examination, Mr. Chairman, or Mr. Counsel, I will be glad to stop.

The CHAIRMAN. Would you let me ask him just two questions at this point?

Senator MUNDT. I have a question, also.

The CHAIRMAN. Did you make a list of the gambling equipment that you found there that night?

Mr. SCHRUNK. No, sir.

The CHAIRMAN. Would it not have been proper course of procedure for you, if you got on the inside, and you observe those conditions, to make a list of it for future use?

Mr. SCHRUNK. No, sir, I don't believe so.

The CHAIRMAN. Would it not strengthen your case if he opened up again and you wanted to padlock him to have the record of what you had found on a previous occasion? Is that not the normal way that law-enforcement officers operate? Do you not know that?

Mr. SCHRUNK. No, sir, I never went into that.

The CHAIRMAN. Let me ask you one more question. Was the owner of that establishment ever fined for violating the law that night?

Mr. SCHRUNK. No, sir.

The CHAIRMAN. No charges were brought against him whatsoever?

Mr. SCHRUNK. Not at that time.

The CHAIRMAN. He was not padlocked, and he was not prosecuted?

Mr. SCHRUNK. No, sir, not at that time.

The CHAIRMAN. Notwithstanding the fact that you were the sheriff and standing there at the door and you could have interrogated every man that walked out of there, and you could have gotten a list of witnesses and made the proof. You did not do that, did you?

Mr. SCHRUNK. Sir—

The CHAIRMAN. Did you?

Mr. SCHRUNK. No, I didn't.

The CHAIRMAN. All right.

Senator MUNDT. I want to find out a little bit about what you term a raid, whether it was actually a raid, since other witnesses have said it was a shakedown. I do not know what it was. I want to find out a little bit about how you conducted it. You said you were driving out in front of the place and you saw people going in and out of it, is that right? And so that was the first you had known that the place was open, on September 11? Am I right so far?

Mr. SCHRUNK. Yes, sir.

Senator MUNDT. You got on your police radio and you called in some of your deputy sheriffs and told them or one of them to try to get legal entrance into the place to see what was going on, is that right?

Mr. SCHRUNK. Yes, sir.

Senator MUNDT. One of them followed the crowd in, and he got into the place legally, is that right?

Mr. SCHRUNK. Yes, sir.

Senator MUNDT. How long was he in the place?

Mr. SCHRUNK. I don't know, possibly 2 or 3 minutes.

Senator MUNDT. Why did he come out so soon?

Mr. SCHRUNK. Because Mr. Bennett asked him to leave and demanded if he had a search warrant.

Senator MUNDT. He did not need a search warrant to be in there as long as he got in legally?

Mr. SCHRUNK. Yes, sir, he would have to have a search warrant to come in without being invited.

Senator MUNDT. All right. He was in there 2 or 3 minutes and he came out and reported back to you, is that correct?

Mr. SCHRUNK. Yes, sir, to myself.

Senator MUNDT. To try to reconstruct what he told you when he came back, you had ordered him to go in and bring back a full report?

Mr. SCHRUNK. He said there was quite a crowd in there, and he saw no slot machines, and there were little tables around and people drinking.

Senator MUNDT. What questions did you ask him?

Mr. SCHRUNK. Well, I asked him if he saw any young people, any minors, anyone drunk or disorderly. I asked him if he was sure about slot machines. I don't recall, sir, just what were all of the things we talked about.

Senator MUNDT. Did you ask whether he saw anybody drinking liquor?

Mr. SCHRUNK. Yes, he said he saw them.

Senator MUNDT. Did you ask him whether he saw anybody purchasing liquor?

Mr. SCHRUNK. I don't know specifically if I asked that question or whether he volunteered it.

Senator MUNDT. Was not the purpose of sending him in as a one-man expeditionary force to find out whether or not you had sufficient evidence to break into the place, and was that not why you sent him in?

Mr. SCHRUNK. No, sir.

Senator MUNDT. Why did you send him in?

Mr. SCHRUNK. I was hoping that we might, as we sometimes have, get what we term a lucky break and find one or half a dozen slot machines in there. On sight you can seize them, and you can make an arrest.

Senator MUNDT. You seem to have an obsession about slot machines. Is that the only crime you were interested in as sheriff? You always come back to slot machines.

Mr. SCHRUNK. I was talking about the tools of the business, sir, and that is one of the things.

Senator MUNDT. One of the tools of the business is selling whisky after hours, is it not? Is that not one of the tools of the business that is illegal?

Mr. SCHRUNK. It is illegal, sir, but you just can't because the person has a drink in their hand—

Senator MUNDT. That is right, and it would seem to me, therefore, it would be logical for you to ask this one-man detective force of yours, Did you see anybody buying liquor?

Mr. SCHRUNK. This officer was in uniform.

Senator MUNDT. Very well.

Mr. SCHRUNK. If he could have bought a drink there——

Senator MUNDT. He did not have to buy it. Could he see somebody else buy it?

Mr. SCHRUNK. He would have to buy it.

Senator MUNDT. He would have to buy it?

Mr. SCHRUNK. Those people are pretty smart and they are not going to do something in front of a uniformed officer like that.

Senator MUNDT. There was a big crowd of people, and if the sheriff was smart or the deputy sheriff was smart as the people or those running it, I would think he could watch what was going on. But I am curious that you did not even ask him the question whether he saw anybody buy liquor.

Mr. SCHRUNK. Well, sir, I am not sure of all of the questions I might have asked, or what the discussion was. That has been quite a little while ago.

Senator MUNDT. At least you do not remember asking him that question, and you just remember asking him about the slot machines?

Mr. SCHRUNK. I wouldn't say I did or didn't. We discussed it.

Senator MUNDT. You said a little earlier that you followed Mr. Bennett around some months later to a second place.

Mr. SCHRUNK. I didn't know Mr. Bennett was in this other establishment, or who was operating it. As a matter of fact, our warrants were "John Doe" warrants.

Senator MUNDT. You did raid a place and found Mr. Bennett was running it, and this time you did it with all of the power of the law behind you, and you had the necessary warrant and the necessary evidence, is that not correct? That is the second time. You had undercover people in there gathering the evidence?

Mr. SCHRUNK. There were 3 officers and 2 women visited the place 1 evening.

Senator MUNDT. Did they see things which are illegal?

Mr. SCHRUNK. Yes, sir.

Senator MUNDT. They reported back to you?

Mr. SCHRUNK. They came back and made their affidavits.

Senator MUNDT. What did you do then?

Mr. SCHRUNK. I didn't do anything directly. It was processed in the normal course by the investigating officer and he secured his warrant and he set up a raid.

Senator MUNDT. You set up a raid?

Mr. SCHRUNK. Yes, sir.

Senator MUNDT. Was the raid successful?

Mr. SCHRUNK. No, sir, the place was tipped off.

Senator MUNDT. It was tipped off?

Mr. SCHRUNK. Yes, sir.

Senator MUNDT. What happened then? You got there and everything was hunky-dory?

Mr. SCHRUNK. Well, I wasn't there personally. When the officers got there the place was closed.

Senator MUNDT. When you got there, the place was closed?

Mr. SCHRUNK. Yes, sir.

Senator MUNDT. Who tipped off the institution?

Mr. SCHRUNK. We would certainly like to know.

Senator MUNDT. It must have been somebody in your office, was it not?

Mr. SCHRUNK. No, sir, I don't think so. One of the detectives was recognized by a bail bond man in the establishment, and we think the leak came from there.

Senator MUNDT. At the time the second raid took place, did you know at that time that Mr. Bennett was running it?

Mr. SCHRUNK. No, sir.

Senator MUNDT. Did your undercover people not discover that? If they were astute they would know who was running it.

Mr. SCHRUNK. They were reasonably sure it was one of Mr. Elkins' establishments.

Senator MUNDT. Were they reasonably sure that Mr. Bennett was involved?

Mr. SCHRUNK. No, sir.

Senator MUNDT. Did any of them ever mention Mr. Bennett to you after they made the report?

Mr. SCHRUNK. Well, I believe that I inquired from the officers as to various people in the establishment and I felt reasonably sure after the description of one man that very possibly it was Mr. Bennett.

Senator MUNDT. How come you did not accompany them on that second raid? This was the man you had tried to catch the time before, and he had gotten through the net. It seems to me you would be very much concerned personally to follow through the second time. But you said you did not accompany the raid. Why not?

Mr. SCHRUNK. Sir, we have a county of over half a million population. As the sheriff of that county I had 230 men and women, including a tax division, and it is a little difficult to run all of those things myself. Sometimes I had to, to keep my own men on their toes, to take direct action as I did down in Kenton, and demand something be done.

But as far as running around and doing that, I spent too much time because of the problems that existed there on the details myself. Normally, the sheriff just wouldn't be doing that any more than a Senator would be typing all of his own letters.

Senator MUNDT. You were just too busy the second time with other duties to go along with the raid; is that right? You had too many other duties?

Mr. SCHRUNK. Sir, I worked pretty long hours.

Senator MUNDT. I am not making any accusation, and I am serious. This is a pretty notorious fellow, and you tried to close him up, and he opened up on you again, and you yourself found he was open, and you ordered one of your men to get legal entrance, and he got in, but his raid was a flop, and you did not accomplish anything.

You arrested a few drunks, and you worked your way in, and you said, "If we ever get you, brother, we are going to deal roughly with you." He opened up again, and you knew he opened up again, and another raid was ordered, and I thought maybe this would be more

than just an ordinary run of the mill raid, and you would just want to be there yourself.

Mr. SCHRUNK. Apparently I did accomplish something that first raid. I really got Mr. Elkins so excited that he goes to almost any extent to try to ruin me.

Senator MUNDT. We will find out about that as the hearings progress. But you accomplished one thing we know of. You got him to move his location to another place. In all events, the second time you did make some arrests. The second time your people made some arrests, and your raid was successful?

Mr. SCHRUNK. No, sir; they had been tipped off.

Senator MUNDT. So the place was closed. What kind of investigation did you make as to the tipster?

Mr. SCHRUNK. I believe that the criminal division checked the bail bondsman and tried to ascertain from the Oregonian where they got their tip and they had a photographer sitting up there on the raid.

Senator MUNDT. How would the bail bondsman know you were going to make a raid?

Mr. SCHRUNK. I suppose he was just suspicious and recognized the deputy sheriff in the establishment.

Senator MUNDT. He recognized your plainclothes man, you mean?

Mr. SCHRUNK. Yes.

Senator McCARTHY. What did the deputy who was in the establishment find?

Mr. SCHRUNK. They were operating and they made "buys" of illegal liquor and they participated in gambling.

Senator McCARTHY. I am speaking now about the second raid, the one where you think that the bail bondsman tipped the manager off.

Mr. SCHRUNK. Yes, sir.

Senator McCARTHY. He found that it was operating illegally; is that right?

Mr. SCHRUNK. Yes, sir.

Senator McCARTHY. Did the deputy?

Mr. SCHRUNK. Yes, sir.

Senator McCARTHY. Did you take abatement proceedings or padlock proceedings? We call them padlock proceedings in my State and I guess you call them abatement in yours. Did you take such proceedings after this second raid flopped?

Mr. SCHRUNK. No, sir.

Senator McCARTHY. Why not?

Mr. SCHRUNK. Because we watch the place and we had a paper to move against them the first time that they started operating, or as soon as we could find the people and have them indicted. We had legal paper to move at that time.

Senator McCARTHY. You stated, I believe, that normally the sheriff's department did not operate inside the city and that is the sheriff's department of Multnomah County, I assume. They did not operate inside the city unless a complaint were made. Can I ask you who made the complaint in the first case and who made the complaints in the second case?

Mr. SCHRUNK. Yes, the first one, well, had been over a period of a year or two, a problem in that general area and I cited some arrests that were made earlier by action of the Liquor Commission.

The last information came to a head through a bad check that was passed as a result of gambling.

Senator McCARTHY. A bad check was passed for what?

Mr. SCHRUNK. A bad check was passed apparently in this establishment at 8212 and in the course of an investigation, one of the detectives learned of the establishment.

This was this material that I told you about earlier. It caused the investigation to start.

Senator McCARTHY. Now, let us shift quickly, if we may, to the telephone post.

Mr. KENNEDY. Could I ask a question? On that second place that was raided unsuccessfully, who owned that place? Who owned the property there? Who owned the building?

Mr. SCHRUNK. I don't have that report here. I am not sure.

Mr. KENNEDY. You do not remember?

Mr. SCHRUNK. It was checked out, and I don't remember.

Mr. KENNEDY. You do not remember who it was? You do not remember?

Mr. SCHRUNK. There was a name, and I can't recall the name. There was some maneuvering done on that, too.

Mr. KENNEDY. You cannot remember that name?

Mr. SCHRUNK. Not right offhand.

Mr. KENNEDY. What was the maneuvering that was done?

Mr. SCHRUNK. I understand Mr. Clark—

Mr. KENNEDY. Was the name Ilene Allen?

Mr. SCHRUNK. I believe that was the name.

Mr. KENNEDY. And do you know of the name Ilene Allen?

Mr. SCHRUNK. I learned of it during election time.

Mr. KENNEDY. Have you ever been to Ilene Allen's home?

Mr. SCHRUNK. I don't believe so.

Mr. KENNEDY. Do you think it is possible?

Mr. SCHRUNK. I don't know where she resides and I don't know why I would be there.

Mr. KENNEDY. Knowingly, have you ever been to Ilene Allen's home?

Mr. SCHRUNK. No; not knowingly.

Mr. KENNEDY. She was one of your supporters during the campaign; was she not?

Mr. SCHRUNK. Not to the best of my knowledge.

Mr. KENNEDY. You did not know she had charge of one section of the city of Portland for you?

Mr. SCHRUNK. Not to the best of my knowledge.

Mr. KENNEDY. You never met Mr. Bennett there at Ilene Allen's home?

Mr. SCHRUNK. I never did.

Mr. KENNEDY. Are you sure of that?

Mr. SCHRUNK. I am positive of it.

Mr. KENNEDY. Just before he opened up this new place, you did not meet with him there?

Mr. SCHRUNK. No.

Mr. KENNEDY. She did not introduce you to him?

Mr. SCHRUNK. No.

Mr. KENNEDY. You are sure of that?

Mr. SCHRUNK. I am positive.

Mr. KENNEDY. Are you positive she did not have a section of your city in the campaign?

Mr. SCHRUNK. Well, now, I don't know what you mean by "section of the city." She might have been a precinct committeewoman or something like that. She was not on my committee, as such.

Mr. KENNEDY. Just going back, is the sale of liquor after hours illegal?

Mr. SCHRUNK. Yes, sir.

Mr. KENNEDY. Is the giving away of liquor after hours illegal?

Mr. SCHRUNK. No, sir.

Mr. KENNEDY. In Oregon, under Oregon law?

Mr. SCHRUNK. No, sir.

Mr. KENNEDY. The giving away of liquor is not?

Mr. SCHRUNK. No, sir.

Mr. KENNEDY. It is not.

Mr. SCHRUNK. Unless to a minor.

Mr. KENNEDY. Otherwise it is not?

Mr. SCHRUNK. To the best of my knowledge, it is not.

Mr. KENNEDY. And having this gambling equipment is not illegal, even though there are chips on the tables and it looks like it is being played.

Mr. SCHRUNK. To the very best of my knowledge, it is not.

Mr. KENNEDY. Why do you ever go into a place? If the operators do not have slot machines, why do you ever bother going in? There is no way you can make an arrest. You say you went up there to look for slot machines and all of these other things are not illegal. Why do you bother going into a place?

Mr. SCHRUNK. I don't quite understand the counsel's question.

Mr. KENNEDY. What I am trying to find out, is why you ever bothered raiding any place. You say, as you are putting it out now, that the only thing illegal was the possession of slot machines.

Mr. SCHRUNK. Sir, I didn't say the only thing illegal was that. It is illegal to gamble and it is illegal to make illegal sales of liquor after hours.

Mr. KENNEDY. But now you have an agent in there that came in with a great large group of people.

Mr. SCHRUNK. Yes, sir and if he had been in plain clothes and been able to move over to the bar and make a "buy," or go over and put \$5 or \$10 into the game and played the game, then he would have grounds for an arrest.

Senator GOLDWATER. Mr. Mayor, how many times during your term of office as sheriff did you make raids within the city limits of Portland?

Mr. SCHRUNK. Probably 20 or 30 times, I couldn't say. Do you mean my department?

Senator GOLDWATER. Your department, yes.

Mr. SCHRUNK. I don't know, 20 or 30 times probably.

Senator GOLDWATER. You say that you made those only after you had complaints that the local police were not performing their duties?

Mr. SCHRUNK. Yes, sir. On the 8212 Club, for instance the night I was down there, one of the things that burned me up so badly was

as I watched this place, the city police car drove by it and they couldn't help but know it.

Senator GOLDWATER. Had you had complaints that night or prior to that time that the 8212 Club was operating and the police had not closed them up?

Mr. SCHRUNK. Well, there have been complaints of various kinds, yes. I had some.

Senator GOLDWATER. Will you just answer the question? Did you have specific complaints that the 8212 Club was operating and the city police had not closed them up?

Mr. SCHRUNK. Yes, I had complaints.

Senator GOLDWATER. Was that the reason you were out there that night?

Mr. SCHRUNK. No, sir. As I said, I live in that general area and I happened to be on the way home out in the county and I just took a swing around the block.

Senator GOLDWATER. You had no complaints and you had no normal reason to follow your usual practice of going into these places inside the city limits only when the city police were not performing?

Mr. SCHRUNK. On that particular night, that is true.

Senator GOLDWATER. What was the reason, then, that you stopped in there?

Mr. SCHRUNK. Because it had been under investigation.

Senator GOLDWATER. By your office?

Mr. SCHRUNK. Yes, sir.

Senator GOLDWATER. Why by your office when it was in the city limits?

Mr. SCHRUNK. Because the city was not doing anything about it and it had a reputation in the area. One of Mr. Elkins' places was being protected.

Senator GOLDWATER. Why had you not gone out there sooner?

Mr. SCHRUNK. Well, I don't quite follow you.

Senator GOLDWATER. You have these complaints and you say that you never operated inside the city limits without complaints that the city was not performing and you heard these complaints prior to September 11; why had you not moved before that time?

Mr. SCHRUNK. We turned it over to the city police.

Senator GOLDWATER. When did you turn it over to the city police?

Mr. SCHRUNK. Which time?

Senator GOLDWATER. When did you turn it over?

Mr. SCHRUNK. It had been turned over at different times, sir.

Senator GOLDWATER. Did you turn it over on September 9 when your investigation had been completed?

Mr. SCHRUNK. I am not sure whether it was then. It would be the investigating officer and the normal way would be to pass it—

Senator GOLDWATER. You could have then investigated this place on your own at any time prior to September 11, for a number of nights, could you not?

Mr. SCHRUNK. You mean the officers?

Senator GOLDWATER. Your department could have investigated this place and gone out there and attempted to have done what you did do on September 11 any time prior to September 11. You knew it was operating and you said that you had complaints, and why had you not moved out there before that night?

Mr. SCHRUNK. Sir, on the 9th, I believe, the officer was out there, and that is the day he interviewed the landlady and the place didn't open that night, and he was watching it.

Senator GOLDWATER. It was not open the 9th?

Mr. SCHRUNK. Apparently not the 9th or the 10th.

The CHAIRMAN. You have been testifying or referring to a document there which appears to the Chair to be a pink paper or papers. Will you identify what that is?

Mr. SCHRUNK. Yes, sir, I did before.

The CHAIRMAN. Maybe I did not understand you. Will you identify it again?

Mr. SCHRUNK. This is a letter under date of September 2, 1955, a report addressed to me by James Madison, detective, criminal division, Multnomah County sheriff's office.

The CHAIRMAN. Will you submit it to the committee for its inspection?

Mr. SCHRUNK. Surely.

The CHAIRMAN. The committee will receive it. Are there any further questions?

Senator MUNDT. I had some questions, but I thought we had to be out of here.

The CHAIRMAN. The chief counsel is engaged at the moment making an inquiry about a matter.

Senator MUNDT. This is a short question.

Mayor Schrunk, if you have this difficulty which I can understand of a uniformed investigator getting into a place and buying drinks from the bar, why did you not send an ununiformed investigator into the club that night, instead of a uniformed investigator? It is just as easy for him to follow the crowd as the fellow with a uniform.

Mr. SCHRUNK. I didn't have one, sir.

Senator MUNDT. You did not have one?

Mr. SCHRUNK. No.

Senator MUNDT. You mean you do not have them in your employment?

Mr. SCHRUNK. Yes, I do. But at 4 o'clock in the morning, it is a little difficult on short notice to round somebody up.

Senator MUNDT. You cannot catch these afterhours clubs working in the daytime.

Mr. SCHRUNK. We did the very best we could.

Senator MUNDT. When you sent out your police call, you could not find a man who was a plainclothes man?

Mr. SCHRUNK. There wasn't any plainclothes men on duty at that time of night.

Senator MUNDT. There were none on duty?

Mr. SCHRUNK. No, sir.

Senator McCARTHY. Well, now, Mr. Mayor, you certainly could have gotten a plainclothes man to go into this place, could you not? There is no question about that, is there?

Mr. SCHRUNK. I suppose, yes, if we had let them run that night and tried to get somebody else. I would not be able to walk in myself. I was in civilian clothes, but I would not be able to walk in.

Senator MUNDT. Mayor Schrunk, were you in uniform that night, yourself?

Mr. SCHRUNK. No, sir.

Senator MUNDT. Why did you not go in?

Mr. SCHRUNK. I am pretty well known out there.

Senator MUNDT. But, certainly, your face is not as easy to observe as a uniform going through the door. You said the uniformed man just followed the crowd, and it was kind of dark and they did not see him. It would be easy to pull your hat down and just walk through. Since you could not find anyone else with no uniform, why not Shrunck?

Mr. SCHRUNK. I don't know. I didn't.

Senator MUNDT. I just wondered, because I am trying to find out. I do not know anything about the business, but it would seem to me it would be better to have a fellow in there without a uniform on, and I can see that. If you did not have a uniform on yourself, I think you could say to the deputy, "You stand here and watch the exits, and I will pull my cap down and see if I can follow it through." It would be easier for you to go through without a uniform than a fellow with all of the brass and polish of a policeman's uniform. You will agree it would be as easy, certainly, would it not?

Mr. SCHRUNK. I don't know. It might have. The thing I was unhappy about was the place was operating and the city police weren't apparently interested in it, and so I tried to do something about it.

Senator MUNDT. I think that is commendable, but I think your unhappiness should have led you to go in there since you were not in uniform and really get the lowdown and to catch this fellow. It would seem to me that you were exceedingly lucky even to get the uniformed man in there, walking in the door.

Mr. SCHRUNK. Yes, we were.

Senator MUNDT. But he did not do anything when he got in there.

Mr. SCHRUNK. We were lucky.

Senator McCARTHY. I have one final question, if I could.

The CHAIRMAN. All right. I want to get something in, and we have to adjourn.

Senator McCARTHY. I was going to say, Mr. Mayor, I have been a circuit judge for quite some time, and I have been a defense attorney, and I know quite a bit about that type of a raid. I have never in my life heard of a sheriff sending a uniformed man into a joint to try to get information unless he wanted to tip the joint off that there was to be a raid.

Now, could you just in a few words tell us why you sent a uniformed man into this place that you said you were disturbed about? Has it ever been done before? Do you know of any other law-enforcement officer that operates in that fashion except for a tipoff?

Mr. SCHRUNK. Well, sir, there was no tipoff. I don't know what others did. It was just a longshot. There were two possibilities. One that he could get in, and if he did we might see something some grounds for an arrest.

Senator McCARTHY. How many days had you been considering this raid? Did it come up on the spur of the moment at 4 o'clock in the morning?

Mr. SCHRUNK. Well, I don't recall what time it was, 3:30, or something like that.

Senator McCARTHY. In other words, you had not thought of it before at all?

Mr. SCHRUNK. I turned it over to our department to investigate, and the people had been working on it, and they said it was not operating.

Senator McCARTHY. They had been working on it for days; had they not?

Mr. SCHRUNK. Two or three days; yes.

Senator McCARTHY. And you could have a plainclothes man go in and try and gamble or buy liquor; could you not?

Mr. SCHRUNK. They hadn't been open, sir, on the 9th or 10th, I believe.

Senator McCARTHY. I guess I am encroaching on the Chair's time.

The CHAIRMAN. The Chair would like to ask one question, and before we excuse the witness for today I wanted to interrogate him or have the staff interrogate him about another matter quickly.

I just wish to ask you if you have a copy of this document:

Oregon Journal's analysis of the vice situation in Portland.

Have you been supplied a copy of that?

Mr. SCHRUNK. No, sir; I haven't been given a copy of that.

The CHAIRMAN. Has Mr. Brad Williams provided you with any document, a copy of any document, any report or analysis?

Mr. SCHRUNK. You mean since I have been back here, sir?

The CHAIRMAN. At any time since you have been here.

Mr. SCHRUNK. No, sir.

The CHAIRMAN. Did he supply you with one just before you came here?

Mr. SCHRUNK. No, sir. I had some material, different material, from Mr. Williams, at different times. That is typewritten material.

The CHAIRMAN. In connection with this investigation?

Mr. SCHRUNK. No, sir.

The CHAIRMAN. All right.

Now, I have one other question. You have been testifying as to your lack of authority under the law of your State, and as to what is an offense against the law that you have jurisdiction of. Are you familiar with the law sufficiently to know what your duty is in connection with making arrests for these violations of the law?

Mr. SCHRUNK. Well, I hope so, sir.

The CHAIRMAN. Do you know the laws of your State, and your duty?

Mr. SCHRUNK. Not all of them. I studied them to the best of my ability.

The CHAIRMAN. Mr. Counsel, I would like you to refresh the witness' memory of the law in some respects about which he has testified here this evening.

Mr. KENNEDY. Just for a minute, Mayor Schrunk. I asked you a little while ago about the possession or giving away of drinks in an establishment such as this, is that correct?

I asked you whether that was illegal.

Mr. SCHRUNK. Yes, sir, I think that you did.

Mr. KENNEDY. You stated to me under the Oregon law that that would not be an illegal act, to give away liquor.

Mr. SCHRUNK. I didn't believe so, like a man in his home or something like that.

Mr. KENNEDY. I will refresh your recollection. Under 471.620, it states in Oregon Revised Statutes that any unlicensed establishment, where there is liquor given away, is a violation of the law. In a licensed establishment where liquor is sold it is not a violation. But in an unlicensed establishment where liquor is given away it is a violation of the law.

Now, this was not a licensed establishment, was it?

Mr. SCHRUNK. No, sir.

Mr. KENNEDY. Thank you.

The CHAIRMAN. I would suggest that you may be interrogated a little further about the law, and I would suggest that during the recess period you make a little inquiry.

Mr. KENNEDY. Under that statute, the point is, Mayor Schrunck could have made an arrest of Mr. Bennett. I think that is the point of it, Mr. Chairman, whether he saw a sale of liquor or not.

The CHAIRMAN. The Chair is going to recess, and before doing so I am going to make two announcements.

The Chair has been requested by members of the committee to call an executive session at some early or convenient time. I do not know what will be discussed, but the Chair will call an executive session for 9:30 in the morning in room 357.

The Chair will also state that in the morning when we convene at 10 o'clock, I will be in a position to announce the report of the lie-detector test made on Witness Nathan Zusman. So that report will be made public in the morning when we reconvene for public session at 10 o'clock.

The committee stands adjourned until that time.

The witness will be back.

(Whereupon, at 3:50 p. m., the committee recessed, to reconvene at 10 a. m., in open session, Friday, March 8, 1957.)

INVESTIGATION OF IMPROPER ACTIVITIES IN THE LABOR OR MANAGEMENT FIELD

FRIDAY, MARCH 8, 1957

UNITED STATES SENATE,
SELECT COMMITTEE ON IMPROPER ACTIVITIES
IN THE LABOR OR MANAGEMENT FIELD,
Washington, D. C.

The Select Committee met at 10 a. m., pursuant to Senate Resolution 74, agreed to January 30, 1957, in the caucus room of the Senate Office Building, Senator John L. McClellan (chairman of the Select Committee) presiding.

Present: Senator John L. McClellan, Democrat, Arkansas; Senator Irving M. Ives, Republican, New York; Senator Sam J. Ervin, Jr., Democrat, North Carolina; Senator Pat McNamara, Democrat, Michigan; Senator Joseph R. McCarthy, Republican, Wisconsin; Senator Karl E. Mundt, Republican, South Dakota; Senator Barry Goldwater, Republican, Arizona.

Also present: Robert F. Kennedy, chief counsel to the Select Committee; Jerome Adlerman, assistant counsel; Alphonse F. Calabrese, investigator; Ruth Young Watt, chief clerk.

The CHAIRMAN. The committee will be in order.

(Present at the convening of the hearing were Senators McClellan, Ives, McNamara, Mundt, and Goldwater.)

The CHAIRMAN. Will Mr. Zusman come around, please?

TESTIMONY OF NATHAN ZUSMAN, ACCOMPANIED BY HIS COUNSEL, JOHN BONNER—Resumed

The CHAIRMAN. Mr. Zusman, when you testified before the committee on Wednesday you requested and even urged that you be given a lie detector test. The committee arranged for you to have it. The Chair now has a report on the results of that test.

I stated at the time that when the report came in it would be made a part of the record of these proceedings and the letter which I am now about to read will be incorporated in the record at this point. It is dated March 7, 1957.

TREASURY DEPARTMENT, OFFICE OF THE CHIEF,
UNITED STATES SECRET SERVICE,
Washington 25, D. C., March 7, 1957.

HON. JOHN L. MCCLELLAN,

Chairman, Select Committee To Investigate Improper Acts in Labor and Management Field, United States Senate, Washington 25, D. C.

DEAR SENATOR: At the request of Mr. Robert F. Kennedy, chief counsel of the Select Committee To Investigate Improper Acts in Labor and Management Fields, United States Senate, a polygraph examination was given in the Washington

field office of the United States Secret Service on March 6, 1957, to Mr. Nathan Zusman, who has testified as a witness before the committee.

The purpose of the polygraph examination was to determine the truthfulness of Mr. Nathan Zusman, who has denied certain allegations made against him.

Prior to submitting to the examination, Mr. Zusman willingly signed a statement in the presence of his attorney, Mr. John Bonner, that he had been duly advised concerning his constitutional right and that he volunteered to take the examination.

Following is a list of the relevant questions which were asked of Mr. Zusman during this examination:

- (a) Did you offer to finance a call-house operation for Helen Hardy?
- (b) Did you offer to finance a call-house operation for Helen Smalley?
- (c) Did Helen Hardy pay you \$120 for referring 2 men to her call-house soon after she started operation?
- (d) Did Helen Smalley pay you \$120 for referring 2 men to her call-house soon after she started operation?
- (e) Did you ever tell Helen Hardy that you had information that William Langley was going to permit call-houses to operate?
- (f) Did you ever tell Helen Smalley that you had information that William Langley was going to permit call-houses to operate?
- (g) Were you told by Mr. Maloney that William Langley would allow call-houses to operate?

Mr. Zusman answered "No" to each of the above-listed relevant questions.

Analysis of the test results by the polygraph specialist who conducted the examination reveals specific reactions which are indicative of untruthfulness on the part of Mr. Zusman in his responses to the relevant questions.

Yours very truly,

(Signed) U. E. BAUGHMAN,
Chief, United States Secret Service.

The CHAIRMAN. A copy of this letter already has been furnished, I am advised by the staff, to Mr. Zusman and his counsel. The letter is made a part of the transcript of this proceeding and a copy of it will be transmitted to the Justice Department to supplement the previous transcript of the witness' testimony and the other testimony that has been submitted to the Justice Department for its attention and appropriate action.

Is there anything further, gentlemen?

All right, you may be excused as far as the committee is concerned.

Mr. ZUSMAN. I would like to have the original of the chart.

The CHAIRMAN. I beg pardon?

Mr. ZUSMAN. I would like to have the original of the chart, and I would like to have it examined by a specialist.

The CHAIRMAN. All right. If we can procure it for you, we will do that. I do not know. It is the Secret Service, one of the highest agencies in the Government.

Mr. ZUSMAN. Am I excused to go back to Portland?

Mr. KENNEDY. We do not need him further.

The CHAIRMAN. You may be excused from further attendance.

All right, call the next witness.

Mr. KENNEDY. I want to recall a witness for a few questions who appeared yesterday.

TESTIMONY OF VIRGINIA JENKINS—Resumed

The CHAIRMAN. Mrs. Jenkins, will you come around, please?

Mrs. Jenkins, you testified before this committee yesterday?

Mrs. JENKINS. Yes, sir.

The CHAIRMAN. You are under the same oath that was administered to you yesterday.

Mr. Counsel, you may proceed.

Mr. KENNEDY. You testified yesterday, Mrs. Jenkins, regarding a conversation that you had with Mr. Bennett.

Mrs. JENKINS. Yes, sir.

Mr. KENNEDY. Now, while you testified I did not go into, or the committee did not go into, detail about the sheriff, the deputy sheriffs that came into the club. How did the sheriffs get in and how many of them were there?

Mrs. JENKINS. Well, there were two, sir.

Mr. KENNEDY. There were two that came in?

Mrs. JENKINS. Yes, sir.

Mr. KENNEDY. Now, there was some testimony yesterday afternoon that only one came in. Are you sure that there were two?

Mrs. JENKINS. Yes, sir.

Mr. KENNEDY. Did they come right into the room where there was gambling and drinks being served?

Mrs. JENKINS. Yes, sir.

Mr. KENNEDY. Gambling going on and drinks being served?

Mrs. JENKINS. Yes, sir.

Mr. KENNEDY. Can you tell the committee what happened or what you observed as far as these two sheriffs were concerned?

Mrs. JENKINS. One deputy stood right at the door and he stayed there for the time he was there, and the other one circled the room to look at gambling paraphernalia and the bar.

Mr. KENNEDY. Was there gambling actively going on during this period of time?

Mrs. JENKINS. Yes, sir.

Mr. KENNEDY. Could you see that from where you were standing?

Mrs. JENKINS. Yes, sir.

Mr. KENNEDY. Could you?

Mrs. JENKINS. Yes, sir.

Mr. KENNEDY. You could observe the door, and also see into the room?

Mrs. JENKINS. Yes, sir.

Mr. KENNEDY. And there was gambling going on?

Mrs. JENKINS. Yes, sir.

Mr. KENNEDY. And what about drinks? Were they being served?

Mrs. JENKINS. Yes, sir.

Mr. KENNEDY. Now, how long did these two deputies stay in the room?

Mrs. JENKINS. I would say approximately 15 minutes.

Mr. KENNEDY. About 15 minutes?

Mrs. JENKINS. Yes, sir.

Mr. KENNEDY. They were up there and saw all of these activities going on?

Mrs. JENKINS. Yes, sir.

Mr. KENNEDY. Did everything cease when they came into the room?

Mrs. JENKINS. Not immediately; no, sir.

Mr. KENNEDY. How many people were there there?

Mrs. JENKINS. Between 100 and 150 people.

Mr. KENNEDY. Now, I will not go further into that. I believe that is all.

Senator McNAMARA. I would like to ask the witness, Did you give testimony yesterday that you saw some money being put in an envelope?

Mrs. JENKINS. No, sir. I was asked for an envelope, but I didn't see the money put in it.

Senator McNAMARA. You were asked for an envelope?

Mrs. JENKINS. Yes, sir.

Senator McNAMARA. Did you provide it?

Mrs. JENKINS. I don't recall whether I got it for Mr. Bennett or he got it himself.

Senator McNAMARA. You did not see any money put in an envelope that night while the disturbance was going on?

Mrs. JENKINS. No, sir.

Senator McNAMARA. I think that is all.

The CHAIRMAN. I think maybe the conflict in testimony may be cleared up to some extent. I think that other testimony has shown that there was one officer who stood at the door and that one officer went in and circled the place, as you have stated.

The question, then, would be whether the officer at the door stood on the outside of the door or on the inside.

Mrs. JENKINS. He stood on the inside, sir.

The CHAIRMAN. The testimony was that 1 stood at the door, but you say that 1 standing at the door stood on the inside and, therefore, there were 2 within the house, or within the room.

Mrs. JENKINS. Yes.

The CHAIRMAN. Now, let us make it clear, and I do not want anything that is not absolutely a fact. Was gambling actually going on and people sitting at tables gambling when these officers were there?

Mrs. JENKINS. Yes, sir.

The CHAIRMAN. What kind of games were they playing?

Mrs. JENKINS. The 21 game.

The CHAIRMAN. Playing a 21 game?

Mrs. JENKINS. Yes, sir.

The CHAIRMAN. The Chair is not quite sure how it is played. Is that what they call blackjack?

Mrs. JENKINS. Yes, sir.

The CHAIRMAN. That is blackjack?

Mrs. JENKINS. Yes, sir.

The CHAIRMAN. Were they playing with chips or money?

Mrs. JENKINS. Well, they play with chips on the table, after they are given the money and the money is put in a box.

The CHAIRMAN. The chips that were on the table were chips that had been purchased from the house; is that right?

Mrs. JENKINS. Yes, sir.

The CHAIRMAN. Then, they play with the chips?

Mrs. JENKINS. Yes, sir.

The CHAIRMAN. If they lose, of course, they cannot cash in?

Mrs. JENKINS. No, sir.

The CHAIRMAN. If they win, or have anything left of what their original investment was, they cash that in?

Mrs. JENKINS. Yes, sir.

The CHAIRMAN. When the game is concluded?

Mrs. JENKINS. Yes, sir.

The CHAIRMAN. Could there be any mistake about drinks being served at the time, people actually buying drinks while the officer was there?

Mrs. JENKINS. No, sir.

The CHAIRMAN. You were there?

Mrs. JENKINS. Yes, sir.

The CHAIRMAN. Or the two officers were there, but particularly the one that was circling the place, could he possibly have not observed gambling and drinks while he was there?

Mrs. JENKINS. No, sir; he had to see it.

The CHAIRMAN. He had to see it?

Mrs. JENKINS. Yes, sir.

The CHAIRMAN. You are not mistaken about that?

Mrs. JENKINS. No, sir.

The CHAIRMAN. With respect to the envelope, did you have any information afterward from Mr. Bennett as to what was done with the envelope?

Mrs. JENKINS. No, sir.

The CHAIRMAN. You do not know?

Mrs. JENKINS. No, sir.

The CHAIRMAN. He only asked for it and that is all you know?

Mrs. JENKINS. That is all.

The CHAIRMAN. You do not recall whether you gave it to him or whether you told him where it was and he got it himself?

Mrs. JENKINS. I don't.

The CHAIRMAN. Are there any further questions?

Senator MUNDT. I just want to put in the record that I think Senator McNamara confused this lady's testimony with that of Mr. Vance. He said yesterday he saw the money put in the envelope.

Senator McNAMARA. That is quite possible, I think.

The CHAIRMAN. Thank you. You may stand aside for the present.

Mr. KENNEDY. Mayor Schrunk.

The CHAIRMAN. Mayor, will you come around, please?

TESTIMONY OF TERRY SCHRUNK—Resumed

Mr. KENNEDY. Sheriff Schrunk, yesterday there were some statements you made. You stated that this was a conspiracy on the part of Mr. Elkins to ruin you because you closed one of his places down.

Mr. SCHRUNK. I closed several, sir.

Mr. KENNEDY. You closed several of his places down, then. Now, I would like to point out to you that a good deal of the evidence on this matter comes from I believe, three people, individuals who had no connection or testified they had no connection with Mr. Elkins, and do not know him.

I would like to take you, after you went in and through the place, through Mr. Bennett's 8212 Club. You came outside then?

Mr. SCHRUNK. Yes, sir.

Mr. KENNEDY. Now, what did you do? I want to find out what steps you took then. Did you get into your car and drive away or did you walk across the street, or what? We have a chart here and I would like to go through that with you.

The CHAIRMAN. First let the Chair ask you this: Were you present yesterday and heard the testimony of the other witnesses?

Mr. SCHRUNK. Yes, sir, I did.

The CHAIRMAN. Then, you are familiar with that testimony?

Mr. SCHRUNK. Yes, sir.

Mr. KENNEDY. Now, we have the club right here [illustrating]. Did you, during that early morning, cross the street at all?

Mr. SCHRUNK. Yes, I crossed the street.

Mr. KENNEDY. You crossed the street here?

Mr. SCHRUNK. I believe I was parked over there.

Mr. KENNEDY. Is this where your car was parked?

Mr. SCHRUNK. I believe so and I can't state for sure.

Mr. KENNEDY. You did cross the street. Prior to that time had you radioed for two patrol cars to come pick up a bicycle as was testified yesterday?

Mr. SCHRUNK. Yes, sir, I certainly did, and it seems rather fantastic that I would send for city police officers to come watch me take a bribe or something there on the street corner. I don't know how silly a charge like that could be. If I wanted a bribe from Mr. Elkins, all I would have to do was call him and he would deliver it and he would be happy to put me on his payroll.

Mr. KENNEDY. But you did call for these police cars?

Mr. SCHRUNK. Yes, sir.

Mr. KENNEDY. To pick up a bicycle?

Mr. SCHRUNK. Yes, sir.

Mr. KENNEDY. Did you see them when they were there?

Mr. SCHRUNK. Yes, I talked to them.

Mr. KENNEDY. So that you identify the fact that they would have been there that evening. You personally were the one that brought them there and you know they were there that evening?

Mr. SCHRUNK. Yes, sir.

Mr. KENNEDY. Did you come out of Bennett's club, and then you walked across the street like this?

Mr. SCHRUNK. No.

Mr. KENNEDY. Did you walk across the street and did you get over here on the corner?

Mr. SCHRUNK. Yes.

Mr. KENNEDY. Did you pick up an envelope?

Mr. SCHRUNK. As a matter of fact, I believe I stood over on the corner and watched the operation for a while, while the patrol cars were there.

Mr. KENNEDY. Did you pick up an envelope here?

Mr. SCHRUNK. No, sir.

Mr. KENNEDY. You are sure you did not pick up an envelope?

Mr. SCHRUNK. I didn't pick up anything.

Mr. KENNEDY. You did not pick up any object here?

Mr. SCHRUNK. No, sir.

The CHAIRMAN. Will you identify the place?

Mr. KENNEDY. By the fountain, around the telephone pole and the fountain across the street from Bennett's club. Did you pick up an envelope?

Mr. SCHRUNK. No. I picked up nothing.

Mr. KENNEDY. You have three individuals——

Mr. SCHRUNK. I took a drink at the fountain. I might have done that. It is possible.

Mr. KENNEDY. You did not pick up an envelope or any kind of an object?

Mr. SCHRUNK. I picked up nothing.

Mr. KENNEDY. This is not testimony from Mr. Elkins or anybody that knows Mr. Elkins.

Mr. SCHRUNK. I am not so sure of that.

Mr. KENNEDY. We have Mr. Daniels in this car that saw you pick up an object and we have two of your employees that were standing here on the corner who saw you pick up an envelope.

Now, there is nothing there to do with Elkins. Did you or did you not pick up something here?

Mr. SCHRUNK. I did not.

Mr. KENNEDY. And yet you have three individuals that saw you pick something up.

Mr. SCHRUNK. I don't know why they would perjure themselves.

Mr. KENNEDY. You cannot blame that on Mr. Elkins. Here are 3 people who saw you pick up an object here on the corner, 2 of them employees of yours.

Mr. SCHRUNK. At the present time, that is right.

Mr. KENNEDY. Do you plan to let them go? What do you mean, "at the present time"?

Mr. SCHRUNK. They weren't at that time.

Mr. KENNEDY. They are testifying before this committee while they are employees of yours.

Mr. SCHRUNK. That is correct.

Mr. KENNEDY. Did you walk across the street then to go to your car?

Mr. SCHRUNK. I am sure I did.

Mr. KENNEDY. Just as they identified you having done. So, everything is correct in their testimony except the fact that you deny that you picked up an object there.

Mr. SCHRUNK. Mr. Kennedy, do you think that I would set up a pickup like that? I am sure that the committee—

Mr. KENNEDY. Excuse me.

Mr. SCHRUNK. I am certain that the committee would know that anybody who wanted a bribe, it is like the Senator if he was going to be bribed, doing it in the Senate Chamber and calling the Secret Service to watch him. It just doesn't make sense. That is the reason this charge is so fantastic.

Mr. KENNEDY. We still have these 3 people that have nothing to do with Mr. Elkins, all testifying, 2 police officers with nothing to do with Mr. Elkins, Mr. Daniels has nothing to do with Mr. Elkins and he comes by and says that you picked up something that looked like an envelope.

We have other people in the club that gave Mr. Bennett an envelope and saw Mr. Bennett put money in the envelope, and then other witnesses that saw that he paid you over \$500. Then, we have these other witnesses who had nothing to do with Mr. Elkins, who saw you pick up the envelope.

How can you possibly explain it?

Mr. SCHRUNK. I don't know what their purpose is. They are police officers, whether it is the power of suggestion that has been made to them, or what it is. I think that you should know that we have some of our police officers in the city of Portland under indictment for what

they call, smiling money. I think there are about 6 or 7 indictments released and there should have been about 30.

I don't know if that has anything to do with this or not.

Mr. KENNEDY. Are you charging these two officers?

Mr. SCHRUNK. I think the committee should have asked the officers yesterday if they were aware that the place was operating, and if they were, why they allowed it to operate.

I think the committee should know that Officer Sutter testified that he knew it was operating and because he misunderstood the action, because his own people were being paid off, he was pretty unhappy about it.

Mr. KENNEDY. Those officers were not in this district. We did ask them that, Mr. Chairman. The staff did. They said they did not know, and they were not in this district. They were two districts away.

Mr. SCHRUNK. An officer cannot work in the north end of town very long, without knowing what is going on.

Mr. KENNEDY. The fact remains, Mayor Schrunk, you have eight witnesses against you. How would you get all eight of them to lie about it?

Mr. SCHRUNK. They certainly stacked it pretty hard against me, and that is the reason I say it is so fantastic.

Mr. KENNEDY. Two people employed by you and another man driving up in a car, all saw you pick up the envelope. Let us assume that all of these other five witnesses are in the pay of Mr. Elkins, which they are not, but let us assume that he could have gotten them to lie like that.

You still get back to the fact that these three people who had nothing to do with Mr. Elkins, saw you pick the envelope up.

Mr. SCHRUNK. I can't go along with you that they haven't anything to do with Mr. Elkins. I am not convinced of that, sir.

Mr. KENNEDY. Do you have any evidence to the contrary?

Mr. SCHRUNK. Unfortunately, no.

The CHAIRMAN. Are there any questions from any members of the committee?

Senator MUNDT. Did you know Mr. Daniel before you saw him in the room yesterday?

Mr. SCHRUNK. No.

Senator MUNDT. Can you think of any conceivable reason why he should want to tell a lie about you and get you in trouble?

Mr. SCHRUNK. If he was paid for his testimony, it is very possible.

Senator MUNDT. Aside from that, aside from the assumption that he was paid by Mr. Elkins to come here and tell a lie, can you think of any other reason?

Mr. SCHRUNK. Personally, no, sir. I just don't know if we ever had him in jail or anything like that.

Senator MUNDT. Can you think of any reason why Patrolman Amundson would want to come here and lie about you?

Mr. SCHRUNK. No, I have no knowledge of any reason. I have always assumed everyone was honest until proven otherwise.

Mr. KENNEDY. Can you think of any reason why this other patrolman, I have forgotten his name, should come here and lie about you? Did you have any particular trouble with these two patrolmen?

Mr. SCHRUNK. No, sir.

Mr. KENNEDY. You said they were before the grand jury and failed to get indictments. You said 30 of them should have been indicted and 6 of them were. Were these two before a grand jury and did not get indicted?

Mr. SCHRUNK. These people were before the grand jury on this problem. I understand they were.

Senator MUNDT. On this charge?

Mr. SCHRUNK. Yes, sir.

Senator MUNDT. But they were not brought before the grand jury as suspects?

Mr. SCHRUNK. I don't know, sir.

Senator MUNDT. It would seem that all of the motivation in the world for a man working on the police force for a mayor would be to avoid getting in trouble with the mayor if they could.

I cannot think of any such motivation that would induce the two patrolmen to come here and say that, "We are sorry to report that we saw our boss pick up an envelope." That does not square with human emotions and human instincts very well.

Mr. SCHRUNK. There are only two reasons that I could see. One is an honest misinterpretation of my act if I walked across the street there and happened to take a drink. That is one possibility. And the other is that they possibly could be being paid off as some of the other people were.

Senator MUNDT. You walked over to take a drink after you and your deputy had been inside the club, is that right? You told us last night that after the raid, Mr. Bennett invited you in to look the club over, and it was after that that you walked over and took a drink and got in your car.

Mr. SCHRUNK. That's right. That is the reason, Senator. I think that justice should be done. And all of the witnesses be called. They are stacked pretty much and it is pretty black and the committee should get all of the facts and bring back the deputies that were actually on the raid, and detectives who made the investigation and certainly Captain Duquesne of the Oregon State Police who conducted the vice raid and labor rackets investigations in our area.

Senator MUNDT. You told us yesterday, Mr. Schrunk, that you sent 1 deputy in and you heard the lady testify this morning that there were 2 deputies inside the room. How do you explain that?

Mr. SCHRUNK. I don't know, sir. Of course, I wasn't up there at the time and whether another officer went up with him or not I would not be in a position to say. I was under the impression that one officer went up.

Senator MUNDT. You were in charge of the raid?

Mr. SCHRUNK. I had a sergeant in charge of the actual operation, yes, sir, and I was there and I was the senior officer present.

Senator MUNDT. You told me that you sent the officer in and told us how he got in and the questions you asked him when he came out, and what he told you when he came out, and that there was only one man inside.

Now, you are uncertain and you think that there might have been two inside.

Mr. SCHRUNK. No, sir; I don't think so. But I say I didn't observe it and the best testimony on that would certainly be the officers concerned.

Senator MUNDT. I am trying hard to believe you, Mr. Mayor, but I have a little difficulty—

Mr. SCHRUNK. Well, you should.

Senator MUNDT. Because your evidence just does not very well answer the accusations and you do not establish a motive for these two fellows doing what you allege they have done.

I am a little bit intrigued at least, by the fact that right after you and your deputy had been in the restaurant looking the place over and walking across the street 50 feet, you got thirsty enough to walk over to a water fountain to get a drink. Certainly, if you were thirsty, there was a chance to get a drink of water in that restaurant while you were there.

Mr. SCHRUNK. In the club?

Senator MUNDT. Yes.

Mr. SCHRUNK. I don't think they were serving much water up there, sir. It was all closed up when we were there.

Senator MUNDT. Certainly, I would assume in a club of that kind, water would be available. Maybe not, maybe they just sold whisky.

Mr. SCHRUNK. I rather imagine there probably was water there, sir.

Senator MUNDT. Your report to the committee now, and I want to get this the way you want it in the record, is that after you and your deputy had been in the club, you got thirsty and you walked across the street to a water fountain and stopped and took a drink and got in your car and drove off. Is that the picture now?

Mr. SCHRUNK. I said it is entirely possible that I might have taken a drink. This would be a year and a half ago, and I honestly don't remember. I couldn't testify and swear that I took a drink or I didn't take a drink. It is very possible. I didn't come back here to the committee with "pat" answers. I thought that it was a fact-finding investigation and you would want all of the facts.

Senator MUNDT. You are exactly right on that.

Mr. SCHRUNK. That is the reason I brought up these other witnesses that were directly concerned with it. I think it is just fantastic. I am not too smart, I realize that, and I did manage to get a college degree and served as a naval officer during the war, but I just don't think I am stupid enough to set up that type of a bribe. It is so fantastic, gentlemen, it just doesn't make sense.

But someplace along the line, I don't know, maybe these same people have sold that story to the Oregonian to the point that they believe it, too, I don't know. I thought at first possibly it was viciousness on the part of the Oregonian for political purposes, but maybe they have even been duped by this.

Mr. KENNEDY. I could not quite understand what the Oregonian has to do with it. Say the information came from the Oregonian, or whatever you want. They are not any one of the eight witnesses, and you have eight witnesses here. What has that got to do with it, Mayor Schrunck? That is, to attack somebody else. Just answer the question about this.

Mr. SCHRUNK. I am not here to attack any one, sir.

Mr. KENNEDY. But you keep talking about either Jim Elkins or the Oregonian, or vice or something else. What we are looking into is about this question of the \$500. That is what we are asking you questions about. Did you pick up the \$500?

Mr. SCHRUNK. I did not.

Mr. KENNEDY. Did you pick up an envelope?

Mr. SCHRUNK. No.

Mr. KENNEDY. Well, there are all of those witnesses.

Senator MUNDT. You can recognize, from the standpoint of the committee which is trying to get the facts——

Mr. SCHRUNK. Pardon me.

Senator MUNDT. You must be able to realize with your college degree and your naval background, and your administrative background, that from the standpoint of the committee trying to get facts——

Mr. SCHRUNK. I appreciate that.

Senator MUNDT. It looks like some pretty serious conflicting evidence. I want to ask you this question because I am trying to get at the facts as we all are: My disposition is to believe a mayor in contrast with an underworld character, of course.

But to do that we have got to have something in the nature of evidence in the record. I would like to ask you whether you would like to ask the committee to make arrangements for you to take a lie-detector test on these statements the way we did with Mr. Zusman.

Mr. SCHRUNK. I have no objection to taking a lie-detector test.

Senator MUNDT. It is not a question of objection and we cannot insist that you do, but we are trying to get at the facts and it would be something that you would have to volunteer.

When you say you would like to take a test, I think we could arrange it, but I do not think we should suggest it.

Mr. SCHRUNK. I would be willing to, but I think I would like to appeal to the committee to see that an authority gives the test, a recognized individual.

Senator MUNDT. If it were taken at all, you would know in advance it would be taken by the Secret Service, which is a Government authority and certainly not under the employment of Mr. Elkins or this committee or the mayor of Portland. It should be what I would say is a pretty fair and competent source.

Mr. SCHRUNK. I am not familiar with them, or lie detectors, and they are no better than the people who run them. The reason I mentioned to the committee about this fantastic frame, I just don't want the other. The facts are the facts and you can't change them.

Senator MUNDT. That is right and a lie detector is a device which is invented for the purpose of trying to get facts. I have never seen a lie-detector machine. Did you ever see one?

Mr. SCHRUNK. Yes, sir.

Senator MUNDT. Have you ever taken a lie-detector test?

Mr. SCHRUNK. Yes, sir.

Senator MUNDT. When was that? Would you want to tell us about that?

Mr. SCHRUNK. I took one before the grand jury on this matter.

Senator MUNDT. The grand jury where?

Mr. SCHRUNK. Multnomah County.

Senator MUNDT. Who administered that?

Mr. SCHRUNK. The Oregon State Police.

Senator MUNDT. The Oregon State Police?

Mr. SCHRUNK. Yes, sir.

Senator MUNDT. I am not going to try to tell you how to best defend your reputation and character and present your case, but I did want

to suggest that this might be one way you could tend to establish something firm.

Mr. SCHRUNK. I am perfectly willing.

Senator MUNDT. To counteract what you must admit is certainly impressive testimony from people that we cannot determine have any motive to try to smear you.

We are trying to get at the facts. I just want to say as one member of the committee, if you were to request a lie-detector test, I am sure we could make it available and it would be done by the Secret Service. I am sure that you would agree that they are competent and that they are unprejudiced in this matter.

Mr. SCHRUNK. Would you also suggest that to these other witnesses and I would be most happy to have each of them.

Senator MUNDT. Each man has to make up his own mind. As we found out in the case of Mr. Zusman, and Mrs. Hardy, we cannot bring them in in pairs, but I do think that any witness who is trying to establish his veracity has a right to request that of the committee and let the chips fall where they will.

Mr. SCHRUNK. I will be happy to take the lie-detector test with the assurance of the committee that I will get a fair test. I don't want to be framed on this one, too.

Senator MUNDT. So that we know in advance what you consider a fair test, would you or would you not consider a test given by the United States Secret Service a fair test?

Mr. SCHRUNK. I have confidence in the Secret Service and I don't know the individual involved.

Senator MUNDT. I would assume that these are reputable individuals and a competent individual and an expert in the field of lie-detector tests.

But I think that we should establish first, whether you would consider that to be a fair test. There is no use to have you take a test and then have you say the Secret Service is under the control of Jim Elkins. I do not think that is right and I do not think you believe that.

Mr. SCHRUNK. No, I don't; but unfortunately, sometimes people reach a long ways, as I am rapidly learning.

Senator MUNDT. You are not trying to say they reach into the Secret Service of the United States.

Mr. SCHRUNK. No, sir; I don't say that.

Senator MUNDT. So you would hold then, that they are a fair and competent group to conduct the test?

Mr. SCHRUNK. Yes, sir; I would be happy if the Secret Service and the Federal Bureau of Investigation did it.

Senator MUNDT. Thank you.

Senator McNAMARA. Mr. Chairman, I have a couple of questions.

Mr. Mayor, how long have you been mayor of the city of Portland?

Mr. SCHRUNK. Two months, sir, approximately and I assumed office—

Senator McNAMARA. Was this a nonpartisan election?

Mr. SCHRUNK. Yes, sir; it was a nonpartisan election.

Senator McNAMARA. Did you have the support of the teamsters union in the election?

Mr. SCHRUNK. I had the endorsement of all organized labor in our area. The teamsters was part of that; yes, sir.

Senator McNAMARA. Did you have support of all of the teamsters officials; did you know? Were there exceptions?

Mr. SCHRUNK. Some of them, I am sure, supported my opponent.

Senator McNAMARA. You are sure?

Mr. SCHRUNK. Yes; I understand that.

Senator McNAMARA. There is no evidence before this committee that any of the other teamsters officials supported your opponent. Do you have any evidence or do you want to make a statement to that end?

Mr. SCHRUNK. No, sir; I cannot prove that they did. I merely understood that some of them that had been serving on committees and different things felt obligated to the former mayor, but that is something that there is an official record of.

Senator McNAMARA. You indicated you had the support of other unions. Did you have the support of the building trades organization?

Mr. SCHRUNK. Yes, sir; the building trades and boilermakers.

Senator McNAMARA. Did you have the support of the industrial workers in your area?

Mr. SCHRUNK. Yes, sir.

Senator McNAMARA. Did you have the support of the Teamsters District Council?

Mr. SCHRUNK. Yes, sir.

Senator McNAMARA. How about the municipal employees?

Mr. SCHRUNK. They were supporting me.

Senator McNAMARA. Did you have the support of any of the newspapers?

Mr. SCHRUNK. Yes, sir.

Senator McNAMARA. Which ones?

Mr. SCHRUNK. The Oregon Journal.

Senator McNAMARA. The Journal was actively supporting you in the campaign?

Mr. SCHRUNK. Yes, sir.

Senator McNAMARA. Did you have the support of other organized groups?

Mr. SCHRUNK. They did after. I would say they supported me after. I think they were neutral in the primary and then supported me editorially in the general election.

Senator McNAMARA. Did you have the support of other organized groups besides labor organizations?

Mr. SCHRUNK. Yes, sir.

Senator McNAMARA. Businessmen's groups?

Mr. SCHRUNK. Yes, sir. I had also wide support from both political parties in our area.

Senator McNAMARA. Official endorsement by businessmen's groups or not?

Mr. SCHRUNK. Well, I cannot recall right offhand official endorsements as such.

Senator McNAMARA. Did you have official endorsement of any other organized groups other than labor organizations and this one newspaper?

Mr. SCHRUNK. I had a lot of support from church groups.

Senator McNAMARA. Fraternal and church groups?

Mr. SCHRUNK. Yes, sir.

Senator McNAMARA. Can you name any of them?

Mr. SCHRUNK. I had fine support from people at Portland University.

Senator McNAMARA. That would not be an official endorsement, as it was in the case of the labor groups. That would not be an official endorsement, a public endorsement?

Mr. SCHRUNK. No; it wouldn't be the same. The Alumni Association of Portland University, I am not sure if they were quite active.

Senator McNAMARA. Do they have a paper of some sort, a publication that supported you?

Mr. SCHRUNK. There is an alumni paper.

Senator McNAMARA. You do not know whether or not they officially endorsed you in the press, in publication?

Mr. SCHRUNK. Not as such. The alumnus carried activities and there was a very nice writeup in there on my behalf.

Senator McNAMARA. On another line of questioning, if I may, Mr. Chairman, do you know Mr. Crosby?

Mr. SCHRUNK. Yes, sir.

Senator McNAMARA. Is he known in your community as a public official?

Mr. SCHRUNK. He served on the exposition and recreation commission in the city of Portland.

Senator McNAMARA. You use the past tense and he has served?

Mr. SCHRUNK. Yes, sir.

Senator McNAMARA. Is he now serving?

Mr. SCHRUNK. He resigned.

Senator McNAMARA. He resigned?

Mr. SCHRUNK. Yes, sir.

Senator McNAMARA. Was there any reason that you know for his resignation?

Mr. SCHRUNK. Yes, sir; the indictment was returned against him, or maybe two indictments.

Senator McNAMARA. Do you know Mr. Maloney?

Mr. SCHRUNK. Yes, sir.

Senator McNAMARA. Do you know him as a labor leader?

Mr. SCHRUNK. Not as such; no. He was an outsider to our area from Seattle.

Senator McNAMARA. Do you know him as an underworld character?

Mr. SCHRUNK. I do at the present time. I didn't when I met him.

Senator McNAMARA. Was the answer, "Yes."

Mr. SCHRUNK. I know him as such now.

Senator McNAMARA. Was he also a political leader or known as such in your community?

Mr. SCHRUNK. Well, I don't think that the term, "political leader" would actually apply. In my opinion he was not a political leader, although he was working in Mr. Langley's campaign. But he wasn't the type of person, I think, that would make a leader in the movement. I saw no great activity that he carried on.

Senator McNAMARA. Do you know Mr. Elkins?

Mr. SCHRUNK. I know of him.

Senator McNAMARA. You do not know him personally?

Mr. SCHRUNK. No, sir; not personally.

Senator McNAMARA. He is known in your community as a businessman?

Mr. SCHRUNK. He is known in our community as the king of the rackets.

Senator McNAMARA. Are you saying to me now that he is known in your community as a racketeer or an underworld character?

Mr. SCHRUNK. Yes, sir. I think that the committee might be interested, too. Senator McCarthy asked a question about prostitution of Mr. Elkins.

Senator McNAMARA. My question does not lead to prostitution. Do you want to divert?

Mr. SCHRUNK. It is up to the Senator.

Senator McNAMARA. I would rather continue, and I have just a couple of more questions and then, it is up to the Chair as to whether you want to go into something else.

Mr. SCHRUNK. Thank you.

Senator McNAMARA. Mr. Elkins, is he known as a racketeer and an underworld character, as you stated?

Mr. SCHRUNK. Yes, sir.

Senator McNAMARA. Is he known to you as such?

Mr. SCHRUNK. Yes, sir; and it is my opinion that he is a narcotic addict.

Senator McNAMARA. Is he known in the community as a politician?

Mr. SCHRUNK. Not as a politician; and they think in terms of him as a kingmaker. They say if you want to stay in politics at the local level, you have to get along with Mr. Elkins, and I don't happen to believe that. There are too many decent people in the city of Portland, once they get the facts.

But what happened to me is, the way he controls not only the police department, but too often public officials.

Senator McNAMARA. Now, I have another line of questioning. In your testimony you established yesterday that you did not have enough evidence to make an arrest when you were at this club at 3:30 in the morning. You indicated that you had to find slot machines or you had to make a "buy."

I thought your testimony was a little vague as far as gambling was concerned, to recognize certain types of tables and certain type tables that you thought commonly were used, I believe, for what was indicated as a blackjack game.

One of the committee tried to question you as to the top of the table, and I presume that is commonly referred to as a layout. Was the table in your estimation covered with a cloth or a felt or something of such kind?

Mr. SCHRUNK. I believe it was; yes, sir.

Senator McNAMARA. Then, was it marked out as it usually is marked out for players in various stations?

Mr. SCHRUNK. I am not positive of that fact, sir. That is, whether it was or not. I saw several of them since and we have conducted several raids and some have been marked and some have not.

Senator McNAMARA. If it were so marked, then your officer that you had in there could have accepted that as evidence of gambling, could he not, as much as a slot machine?

Mr. SCHRUNK. I don't believe so, sir. Some time ago we took another big place out in the city of Portland, and I think you have heard something about the place already, run by Mr. Burgess Bird,

and we confiscated at that time some \$6,400 in money. We took 3 or 4 tables and we made arrests and we got a person in and we got evidence and warrants and we seized a lot of liquor.

You know, out of that big place that had been going, the fine was \$200. They made me give all of the money back, even the money that we took off the table. They made me give the tables back.

Senator McNAMARA. Who did this?

Mr. SCHRUNK. The court.

Senator McNAMARA. The judge ruled that?

Mr. SCHRUNK. The judge ruled that way, and I think that he was dead wrong. I asked for the money to go into the State to help pay the cost of that, but the money was returned. That is a matter of official record.

I mentioned that \$200 fine, too, because one of the witnesses yesterday said it was better to pay the sheriff \$500 than to have a \$1,500 or \$2,000 fine. If you will search the records of our city, you will find that fines have been far too low. I wish they were \$1,500.

Senator McNAMARA. Did I gather from your testimony yesterday that you meant to imply that the Portland police were closely watching you and your activities at that time?

Mr. SCHRUNK. Yes, sir.

Senator McNAMARA. Because you implied that you would raid places that they were more or less protecting or allowing to operate. Was that what you intended to imply in your testimony?

Mr. SCHRUNK. Yes; that is what I meant to say and not just imply.

Senator McNAMARA. You do not have any evidence to prove that these city of Portland police were actually protecting these places. You have not submitted any. I take it it was an implication rather than a charge?

Mr. SCHRUNK. No, sir. There has been a lot of evidence presented to our grand jury out home and there have been indictments returned.

Senator McNAMARA. But you have nothing to present to this committee?

Mr. SCHRUNK. Yes; I would love to. I have here before me a statement of Richard A. Sutton, city police officer. It is quite lengthy, and I hope that you will insert it in the record.

Senator McNAMARA. I am going to leave that to the judgment of the chairman.

Mr. SCHRUNK. I would like to just call your attention to one part in here.

The CHAIRMAN. Will you submit a copy of it to the committee for its consideration?

Mr. SCHRUNK. Yes, sir.

The CHAIRMAN. Examination and consideration?

Mr. SCHRUNK. Yes, sir.

Senator McNAMARA. There was some indication or you made the statement here just a few minutes ago, did you want to read a section of this, incidentally?

Mr. SCHRUNK. Yes, sir; if I can find it, in a minute here.

The man says—

I would like to make a statement concerning the fact that I had been ordered by superior officers to watch Sheriff Schrunk's home from August—this is a mistake—

from February 22, 1956, until March 30, 1956. The reason I was assigned to watch the sheriff's house was that they were afraid the sheriff would get up some time during the night and leave his home and go out and knock over some of their bootleg joints or gambling establishments, or some of their illegal enterprises.

I was told at that time that I could work this assignment either with my own car and plainclothes, or with a city car and plainclothes, or in uniform and unmarked city car, whichever you preferred.

I would like to state here I didn't like my assignment, and I didn't want it. I didn't want it to appear that I had gone along with them and in this as much as taking it on myself to wear plainclothes.

The CHAIRMAN. Mr. Mayor, the Chair has indulged you to read that and I will permit you to read any other part of it you want to. But I want you to know that in doing so, I am leaning away over and departing to a degree from proper procedure.

But I want to be extremely fair to you and give you any opportunity that you think would be to your advantage.

Mr. SCHRUNK. I appreciate that, sir.

Senator McNAMARA. You have indicated that you want a copy of it and the witness has promised that he will provide it for the use of the staff.

The CHAIRMAN. Ordinarily, before we let any statement be read, even of the witness himself, that is the rule of the committee that it be submitted 24 hours in advance. But the Chair, without objection, has departed from that rule in order to be fair to the witness.

Mr. SCHRUNK. To finish, in answering your question, this is one officer. But lying on my desk at the present time and under investigation in the city of Portland is a bill for some \$80,000 for overtime pay for city police officers. Some of it is legitimate, and a great deal of it was chasing people around like myself and like newspaper reporters and things like that and chasing Mr. Bennett around.

Senator McNAMARA. I have one more question. You made reference to the taking of a lie-detector test before a State grand jury. Was that it?

Mr. SCHRUNK. A county grand jury, under State law.

Senator McNAMARA. What was the result of the test?

Mr. SCHRUNK. They have never revealed it to me. They have revealed it to the attorney general.

Senator McNAMARA. It has never been made public?

Mr. SCHRUNK. And to the grand jury, apparently. I have asked, at that time, for a copy of it.

Senator McNAMARA. You do not know what the result of the test was?

Mr. SCHRUNK. No.

Senator McNAMARA. Were you charged with anything when you took this test?

Mr. SCHRUNK. No; I was not charged. Well, yes; this same problem started at that time. They used this in the campaign and tried to frame me at that time and the matter went before the grand jury and it was investigated by the attorney general of our State. At that time the grand jury kind of got a little bit out of control and they didn't intend it that way, but that is when Mr. Elkins was indicted on a great many things.

You mentioned something about the chief of police. The chief of police at that time, of the city of Portland, was indicted for something for allowing these things to happen that we are talking about.

Senator McNAMARA. Indicted but not convicted?

Mr. SCHRUNK. No, sir.

Senator McNAMARA. Were most of these things that we have been talking about here, made a part of your campaign and were they issues that you had to face in the campaign?

Mr. SCHRUNK. Yes, sir; and the people of Portland had the facts on this and our own grand jury studied it and saw no reason for an indictment because they had all of the witnesses before them.

Here, you only have 1 side of the thing, 1 set of witnesses. In spite of all of that, which was used in the campaign, I still carried the election by some 39,000 votes.

Senator McNAMARA. Thank you, Mr. Chairman. I have no further questions.

The CHAIRMAN. The Chair wishes to make this statement and unless the Chair is overruled at some time by the committee in the future or unless most unusual circumstances indicate otherwise and the committee agrees that it is, the committee will not order or provide a lie detector test except at the request of the witness or his counsel.

The only authority that we can properly, I think make arrangements with under the circumstances for the test to be made is the Secret Service of the United States. If that agency is not under the orders, direction, or under the employment of the committee, that agency cannot be relied upon to do the job honestly and as accurately as those facilities may provide, then if the committee undertook to employ just to serve it, some outside agency or facility of that character, then the charge could very well be made, whether it could be sustained or not, that the committee had handpicked some agency or authority to make these tests.

Therefore, it would be charged that they were trying to provide what the committee wanted in each instance. So the Chair, unless the committee feels otherwise, will not order or arrange for a lie detector test for any witness except that that witness requests it.

If a witness requests it, the same arrangements will be made in the other case.

The Chair will also hold that any such testimony, as soon as it becomes available, the result of it will be made public and put in the record. That will be the ruling of the Chair for the present, and until such time as some circumstance or condition or situation indicates that a different ruling shall be made or until such time as the committee directs otherwise.

Senator MUNDT. I think that is a very fair and reasonable statement, Mr. Chairman. In line with that position and the previous colloquy I had with Mr. Schrunck, I wish we would now interpret for the record and for me and for the Chair, whether what he said in response to my line of questioning was a request to have the lie-detector test taken or was it not.

Do you make that request?

Mr. SCHRUNK. Yes; I will make a request of the committee to take the lie-detector test.

Senator MUNDT. Under those circumstances, Mr. Chairman, I think we should provide the facilities.

The CHAIRMAN. The Chair will immediately direct the staff to make the same arrangements, if it can, that it made yesterday or the day before yesterday.

Senator MUNDT. I think I heard you say, Mr. Schrunk, and I do not want to put words in your mouth, but I thought I heard you say a moment ago that Mr. Elkins was a narcotics addict. Did you say that?

Mr. SCHRUNK. I said that in my opinion he was. I have the testimony here of a person, a statement from this person, taken by a court reporter. Of course, it is not the best type of witness.

Senator MUNDT. That would seem to me to be a matter of public record, would it not? If you are a narcotic addict, are you not arrested and put in places and have thing done for you?

Mr. SCHRUNK. He has——

Senator MUNDT. He testified that he was arrested one time for picking up a package which contained narcotics. Your information is the first that I had heard that he was a user of narcotics. We had had no testimony and no information on that. You said that he was a user of narcotics.

Mr. SCHRUNK. According to Kathleen Weeks, convicted prostitute, who worked in one of the houses of prostitution in the city of Portland, that Mr. Elkins had an interest in, in my opinion, according to her testimony he made collections from the madam that ran the place, along with Ray Clark, another one of Mr. Elkins' employees. She testified—I asked the question:

Were most of the girls working for Jerry hooked?

The CHAIRMAN. Let the Chair inquire.

Go ahead, but I want to get this straight. Go ahead and finish answering the question.

Mr. SCHRUNK. She went on to testify that—I asked her if she bought from Mr. Elkins. She said no; she had bought from Jerry, but she had used with Mr. Elkins, used narcotics. She stated that Mr. Clark and Mr. Elkins, and Mr. Clark's wife, all three, were hooked, as the term goes. That means that they were addicted.

Senator MUNDT. What year was that?

Mr. SCHRUNK. Pardon?

Senator MUNDT. What year?

Mr. SCHRUNK. This testimony was taken—this statement was taken February 17, 1957.

Senator MUNDT. By whom?

Mr. SCHRUNK. It was taken—the court reporter is Bernice Lee. Present were these two ladies, these are the pictures, and I use the term loosely [indicating photographs]. This is the subject [indicating photographs]. There was the deputy district attorney, a detective, a matron, and myself present, as well as the two subjects.

The CHAIRMAN. Is that statement sworn to?

Mr. SCHRUNK. Pardon?

The CHAIRMAN. Is that statement sworn to that you have?

Mr. SCHRUNK. It was not sworn before a notary public; no, sir.

The CHAIRMAN. It was not sworn to?

Mr. SCHRUNK. No, sir.

The CHAIRMAN. It is not a sworn statement?

Mr. SCHRUNK. The sworn statements are now on the matter before the——

The CHAIRMAN. On the basis of that information, did you take any action to arrest any of those guilty?

Mr. SCHRUNK. Yes, sir. The matter is before the Federal grand jury, and also——

The CHAIRMAN. Has anyone been arrested?

Mr. SCHRUNK. Not as yet, sir. These two girls are under arrest.

Mr. KENNEDY. Could I just ask you on that: Those girls admitted that they were dope addicts, themselves?

Mr. SCHRUNK. Yes; they admitted that they were.

Mr. KENNEDY. How long were they in custody?

Mr. SCHRUNK. These girls—well, they have been in custody at different times.

Mr. KENNEDY. How long were they in custody prior to the time you took that Q and A; the questions and answers?

Mr. SCHRUNK. I am not sure exactly how long. They had been brought back from Texas. They were questioned there by the Federal Bureau of Investigation, and questioned up there also.

Mr. KENNEDY. Were they allowed to have any narcotics prior to the time that they——

Mr. SCHRUNK. Made the statement?

Mr. KENNEDY. Yes.

Mr. SCHRUNK. Not to the best of my knowledge.

Mr. KENNEDY. They had been kept in isolation from narcotics?

Mr. SCHRUNK. They had been kept in withdrawal down in Texas where they were held. They were over withdrawal pains.

Mr. KENNEDY. How long had they been kept in isolation away from narcotics? These are two narcotics people themselves. How long had they been kept in isolation prior to the time that you took those questions and answers from them?

Mr. SCHRUNK. Sir, I don't know how long they had been kept in isolation. They had been traveling.

Mr. KENNEDY. They were in your custody; were they?

Mr. SCHRUNK. No, sir.

Mr. KENNEDY. How did you happen to be there?

Mr. SCHRUNK. Because this case started during the time that I was sheriff.

Mr. KENNEDY. Who was the district attorney? You talked about the assistant district attorney. Who was the district attorney?

Mr. SCHRUNK. There was no district attorney there.

Mr. KENNEDY. Whose office was it?

Mr. SCHRUNK. Mr. Langley's office.

Mr. KENNEDY. Mr. Langley's office?

Mr. SCHRUNK. Yes.

Mr. KENNEDY. So you and Mr. Langley and these two girls, they were narcotics agents themselves, or took narcotics themselves, they had not been treated or received any narcotics themselves, during this period of time, just prior to the time you took that Q and A?

Mr. SCHRUNK. Mr. Langley was not present. Mr. Lonigan——

Mr. KENNEDY. But it was one of his employees, one of the people in his office?

Mr. SCHRUNK. Right.

Senator MUNDT. Is that the sum total of evidence on which you base your charge that Mr. Elkins is a narcotics addict; or do you have other evidence.

Mr. SCHRUNK. No, sir. I base it on reasonable belief, based on information from Mr. Jack Merrill, the narcotic agent for the State

of Oregon, whom we have been in touch with. I base it on the opinions—

Senator MUNDT. Has he made a statement to the effect that Mr. Elkins is a narcotics addict?

Mr. SCHRUNK. He has made the statement that he is convinced that he is hooked and is using it.

Senator MUNDT. Will you read that statement to us?

Mr. SCHRUNK. Pardon?

Senator MUNDT. Will you read that statement to us?

Mr. SCHRUNK. I don't understand, sir.

Senator MUNDT. Will you read that statement to us?

Mr. SCHRUNK. No; he has not made a written statement. I am talking about our discussion on this matter.

Senator MUNDT. All in conversation?

Mr. SCHRUNK. Yes, sir.

Senator MUNDT. But you have no other written statement except the unsworn statement of this prostitute?

Mr. SCHRUNK. No, sir.

Senator MUNDT. That is the extent of that. You mentioned a man by the name of Merrill?

Mr. SCHRUNK. Yes, sir.

Senator MUNDT. A State narcotics agent?

Mr. SCHRUNK. Federal.

Senator MUNDT. He has authority to make arrests; does he?

Mr. SCHRUNK. Yes, sir; on narcotics charges.

Senator MUNDT. Did he arrest this well-known suspect that he was talking to you about, Mr. Elkins?

Mr. SCHRUNK. I have asked him about that. That was the reason of our conversation. I wasn't sure whether Mr. Elkins was dealing in narcotics in our community or not. There were too many around, too many of these people that were arrested as prostitutes and things like that, that were turning up as addicts. Mr. Merrill told me he was working on it, trying to do the best he could.

Senator MUNDT. Did he arrest him?

Mr. SCHRUNK. I don't know that he ever has.

Senator MUNDT. You do not know whether he has or not?

Mr. SCHRUNK. No, sir.

Senator MUNDT. Could you find out and supply that information to the committee?

Mr. SCHRUNK. Yes, sir.

Senator MUNDT. Will you?

Mr. SCHRUNK. Yes. Mr. Merrill is out in Portland.

Senator MUNDT. Well, a telephone call would bring the information, certainly. If he made an arrest, it is a matter of public record. If you did not make an arrest, we should have that information in the record. Whichever it is, I do not know. But will you get that over the noon hour and give it to the committee?

Mr. SCHRUNK. I can try, sir.

Senator MUNDT. All right. I heard you make another statement, I believe.

Mr. SCHRUNK. Your staff would be able to make the call there, sir.

Senator MUNDT. Well, you brought it into your testimony as evidence, so I would think that since you know who he is and where he can be located it would certainly support your charge if you can say

that Mr. Merrill arrested him. That is how we would know. I would hate to think that we have a Federal narcotics agent who knows about a well-known addict running around the streets of Portland, who he talks about to different friends of his, and then does not arrest him. But we have had unfaithful Federal people sometimes. Maybe that is the case, or maybe there is a good reason why he did not arrest him. Whatever it is, this is a factfinding body, and we are just trying to get the facts. If you can do that over the noon hour and will report, we will appreciate it.

Mr. SCHRUNK. Will the committee pay for the call?

Senator MUNDT. The committee will pay for the call. I guess so.

Does the committee have authority?

If it will not, I will.

The CHAIRMAN. Let me say this: The Chair, I think, as every lawyer present knows, and I am sure many laymen realize, has leaned over very far to accommodate this witness, to give him every opportunity to make any defense that he has, or offer any facts that he thinks are pertinent. I have departed from what I know to be proper procedure in rulings here. But this witness occupies a position of trust, elected by the people in a large community in our country. I have permitted testimony here that normally would not be permitted.

I am going to go one step further, and, at the risk, maybe, of being criticized, permit the taxpayers of this country to pay for the call, if the mayor does not want to do it for himself.

Senator MUNDT. Thank you, Mr. Chairman.

I think I heard you also make a statement which intrigued me. You said the grand jury got out of control. Will you elaborate on that?

Mr. SCHRUNK. Well, maybe I was being a little facetious.

Senator MUNDT. It is a pretty serious statement when a mayor of a city says the grand jury of the county got out of control. I want to know what you meant.

Mr. SCHRUNK. I think that is a healthy condition, sir, where the results that a grand jury has cannot be predetermined.

Senator MUNDT. Let us start back again. Who was trying to control the grand jury?

Mr. SCHRUNK. I believe Mr. Elkins, indirectly.

Senator MUNDT. All right. Who called the grand jury?

Mr. SCHRUNK. The attorney—it was called. The Governor directed the attorney general to take over a grand jury.

Senator MUNDT. Did the attorney general then call the grand jury?

Mr. SCHRUNK. Well, actually, he didn't actually call them.

Senator MUNDT. In your State, does the Governor call a grand jury or does the attorney general call the grand jury?

Mr. SCHRUNK. The grand jury happens every month by law. It is set up, constituted, from the regular jury panel in our county. The grand jury is constituted and drawn by lot.

Senator MUNDT. You said you select some people from the panel. Does the Governor do that or the attorney general?

Mr. SCHRUNK. No, sir; it is done by a bailiff under the presiding judge of the district.

Senator MUNDT. Who was your presiding judge that was responsible for the grand jury?

Mr. SCHRUNK. I am not sure who the presiding judge was. They alternate. We have a 9 or 12 or 13—13, I believe, now.

Senator MUNDT. To firm up your charge, then, let me put it this way. Will you explain to the committee in what manner you believe Mr. Elkins was setting up his controls over the grand jury? Was he working on the jurors? Was he working on the attorney general? Was he working on the district attorney? How did he exercise that control?

Mr. SCHRUNK. Well, there was a lot of pressure being placed on the attorney general.

Senator MUNDT. What is his name?

Mr. SCHRUNK. Robert Y. Thornton.

Senator MUNDT. Thornton?

Mr. SCHRUNK. Yes, sir. I feel that there was considerable pressure placed.

Senator MUNDT. By Elkins?

Mr. SCHRUNK. Not directly. Mr. Thornton drove Mr. Elkins out of his office if he came around. Mr. Thornton is a conscientious person.

Senator MUNDT. How does a man running out of an office control the fellow who kicks him out? I do not get that.

(At this point, Senator Ervin entered the hearing room.)

Mr. SCHRUNK. Most of the pressure came, in my opinion, through the Oregonian.

Senator MUNDT. Does Mr. Elkins control the Oregonian?

Mr. SCHRUNK. I can hardly believe that. He has quite a little influence, apparently, up there.

Senator MUNDT. I am just trying to piece together in my own mind what you have said. You have said the grand jury got out of control. I said, "Who was trying to control it," and you said, "Mr. Elkins." I said, "How did he control it?" And you said, "Through the attorney general." I said, "How did he control him?" And you said, "The attorney general chased him out of his office."

Mr. SCHRUNK. I said he probably would.

Senator MUNDT. Then you said it was indirectly controlled through the Oregonian. If he is going to do it indirectly, he has to have a stooge, in the form of the attorney general, or in the form of the Oregonian, or some other stooge, certainly.

Mr. SCHRUNK. The pressure was on Mr. Thornton from the Oregonian, for one reason or another, because he apparently would not do as they wanted, and they came up with indictments against Mr. Elkins and people like that, they came out viciously opposed to him at the election.

Senator MUNDT. Was this a county grand jury?

Mr. SCHRUNK. Yes, sir.

Senator MUNDT. Multnomah County?

Mr. SCHRUNK. Yes, sir.

Senator MUNDT. Who presents the evidence to a county grand jury?

Mr. SCHRUNK. Normally the district attorney does.

Senator MUNDT. What is his name?

Mr. SCHRUNK. William Langley.

Senator MUNDT. Do you know Mr. Langley?

Mr. SCHRUNK. Yes, sir.

Senator MUNDT. In your opinion, is he a good and competent district attorney?

Mr. SCHRUNK. Well, sir, I only know by my personal contact.

Senator MUNDT. Naturally, I am asking you on that basis.

Mr. SCHRUNK. We certainly haven't agreed on the proper way to handle some cases. We have argued. But I must say this, and I am happy to say it for the record, that Mr. Langley at no time ever approached me to do anything improper or to provide protection for any underworld elements. I say that because I don't know whether he is right or wrong, or whether he has done anything else. But in fairness, I can only say what I know.

Senator MUNDT. That would be at best what I would call damning with pink praise, when I ask you if this is a good and competent attorney general, and you say, "Well, he has never approached me or tried to bribe me, the district attorney."

Mr. SCHRUNK. I made that statement with the thought in view of all the discussions that you have before you.

The CHAIRMAN. The Chair has previously stated it has indulged the witness quite extensively, I think. You read there a moment ago, and the Chair permitted you to do it, from a document, an unsworn document, of some prostitutes that made reference to Mr. Elkins. The committee has had no opportunity to see that document. An excerpt from a document might not reflect the whole picture.

Therefore, the Chair requests the witness to submit the document to the staff, to the committee, for its examination in its entirety.

Will the witness do that?

Mr. SCHRUNK. Well, I didn't know how much more you were going to talk. I have several points marked here, and I would hate to have them lost. As I stated when I——

The CHAIRMAN. I will instruct the staff not to remove any marker in the document. I do not know what is in it, but when you read excerpts from it, the committee is entitled to examine the document, just as the other document from which the Chair permitted you to read.

Mr. SCHRUNK. How long——

The CHAIRMAN. The document will be returned to you before you leave. It will be made available to you at any time you need it in your testimony.

Mr. SCHRUNK. Thank you.

The CHAIRMAN. We are not taking it away from you.

The document will be returned, and at any time the witness needs it, it will be made available to him.

Mr. SCHRUNK. I prefaced my remarks on this, sir, at the time, that I don't consider the two witnesses top witness——

The CHAIRMAN. You do not consider them reliable?

Mr. SCHRUNK. With that type of reputation behind them? I think they were telling the truth here, but I realize it is hearsay. I also realize that some of this other evidence that has been placed, some of it damning to me, was hearsay. I would appreciate the Chair allowing me the privilege of referring to this document.

The CHAIRMAN. The Chair has allowed you. But when we go to refer to documents that are present, I am sure the committee is not only empowered but it possibly has the duty to examine the documents.

Mr. SCHRUNK. I am very happy to let the committee do that.

The CHAIRMAN. Thank you very much.

Mr. KENNEDY. Mr. Chairman——

The CHAIRMAN. Senator Ives will take the chair.

(At this point the chairman withdrew from the hearing room.)

Senator IVES (presiding). Proceed, Mr. Kennedy.

Mr. KENNEDY. You had an affidavit by Mr. Sutter that you had presented to us, and which we have mimeographed, so that we would make sure that it got into the record.

Mr. SCHRUNK. That you had mimeographed?

Mr. KENNEDY. Did we have it mimeographed or did you have it mimeographed?

Mr. SCHRUNK. I had it mimeographed last night, because I was told that you wasn't interested in it and I—

Mr. KENNEDY. Who told you that?

Mr. SCHRUNK. I believe counsel did, unless I was mistaken.

Mr. KENNEDY. I said that?

Mr. SCHRUNK. I requested then permission to utilize that to testify from.

Mr. KENNEDY. You have read from an excerpt a little while ago. I thought if it was all right with the chairman, I could also read from an excerpt.

Senator IVES. Without objection, go ahead.

Mr. KENNEDY. This is from Mr. Richard A. Sutter. He was one of the four policemen that were on duty that evening in front of Bennett's place.

On page 2:

I spent quite a bit of time—quite a few moments there at the north precinct on that occasion. I spent 3 months there on that occasion and was since transferred to other precincts on a training transfer. But, I ended up at north precinct. And I spent some months at north precinct again. Then I transferred to three-wheelers and worked the downtown district for traffic.

At the time I went back to north precinct—I can give you the date on that—I was transferred back to north precinct the 18th of August 1955 from traffic. At the time I became aware that an alleged bootleg joint and a gambling place was running at 8212 North Denver Avenue; that the commanding officers were aware of the fact that it was running and the vice squad apparently was taking no action on it whatsoever. And I as a uniformed officer couldn't do much about it.

Well, I am sorry, I have read the wrong page.

Page 3. He states that he went over there, and arrived in this place.

We drove around a couple of blocks there or a block or so and came back up and we parked on the northwest corner of Denver and Kilpatrick, and we observed Mr.—well, we observed the alleged operator—or, I will say that because I don't know really who—I have been told that Slim Bennett ran the place. I had been told that Slim Bennett was the man's name that ran the place.

I observed the fellow who did run the place whom I believe to be Slim Bennett walk across the street. And, I certainly don't remember him walking diagonally as the other account states in the paper because I think I would have pinched him for jaywalking. But, anyway, I observed this Bennett by this telephone pole and this drinking fountain. And, as I recall, he—at least it appeared that he bent down and placed something between the pole and the drinking fountain. And then we observed another man whom at the time I believed to be Sheriff Schrunk go over, and it seemed that he picked something up there. And, what it was that this person picked up, I can't say. But I told the grand jury in my testimony that it was Sheriff Schrunk, and I believed at the time that it was Sheriff Schrunk, but since I have thought a lot about the thing and I have since been convinced—and I will repeat that—have since been convinced it wasn't the sheriff at all, and I am not even sure whoever it was picked anything up there. And, that is the reason that I contacted Mr. Minielly and wanted to talk to the sheriff was that I wanted to straighten it up in that the newspaper

account accuses the sheriff of picking it up and apparently it comes from something I have said.

I thought you would want to have that in the record, too.

Mr. SCHRUNK. I—

Mr. KENNEDY. Also, there was some discussion about—you know, these are things that you brought up, and I thought we would have them straightened out—there was some talk about your appearing before the grand jury and about some finagling with the grand jury in connection with Senator Mundt's question. Do you remember that?

(At this point, the chairman entered the hearing room.)

Mr. SCHRUNK. I remember about the grand jury, yes, sir.

Mr. KENNEDY. Do you remember, did you also discuss that there was some finagling with the grand jury, that it was getting out of hand, and there was something funny going on? It got out of control?

Mr. SCHRUNK. I think I used that term; yes, sir.

Mr. KENNEDY. The grand jury considered this question regarding whether you had picked up a bribe; is that not correct?

Mr. SCHRUNK. Yes, sir.

Mr. KENNEDY. And you took a lie-detector test?

Mr. SCHRUNK. Yes, sir.

Mr. KENNEDY. You are not aware of the fact of whether you passed or flunked it?

Mr. SCHRUNK. No. I have asked for a copy of the report.

Mr. KENNEDY. You were not told that you flunked the test?

Mr. SCHRUNK. I heard from Mr. Turner and Lambert—

Mr. KENNEDY. No, did you hear from anyone else that you flunked the test?

Mr. SCHRUNK. After I heard from Mr. Lambert and Turner who had been talking about it, I went to the attorney general. He said he thought the report was adverse.

Mr. KENNEDY. Then I think that you should have straightened that out when Senator Mundt asked you the question whether you had any ideas about how you did in the test.

Mr. SCHRUNK. I still haven't seen a copy of the test.

Mr. KENNEDY. No, but you heard from the attorney general of the State of Oregon that the report was adverse; is that right?

(At this point, Senator Ives withdrew from the hearing room.)

Mr. SCHRUNK. I tried to get details of it, and he wouldn't tell me what was testified, but apparently it wasn't—as I said, a man that wants to misrepresent a lie detector can read it any way. The operator is tremendously important, the reliability of the operator.

Mr. KENNEDY. That is your explanation, Sheriff Schrunk. All Senator Mundt asked was what the results were, and you said "I haven't any idea."

Mr. SCHRUNK. I still don't know, because I haven't seen them.

Mr. KENNEDY. You were told what the results were, that they were adverse to you.

Mr. SCHRUNK. It was alleged.

Mr. KENNEDY. No. The attorney general told you, did he not? Did he not tell you that the lie-detector test that you took was adverse to you? That has nothing to do with Mr. Elkins. How do you explain that?

Mr. SCHRUNK. I have still asked for a copy of the test. I have told you today I am willing to take another one.

Let's put something else in the record, Mr. Kennedy, while we are talking about that lie-detector test. The attorney general brought an expert from down in California to give some tests. I agreed to take one before the grand jury, and then all of a sudden the expert disappeared, and another party gave the test. That is the reason that I mentioned to the committee the importance of having a reliable person.

Mr. KENNEDY. That is your explanation. The committee can accept that or not, but I wanted you to straighten the record out.

One other thing I want to talk to you about is this grand jury. Do you know a Mrs. Rossman?

Mr. SCHRUNK. Yes, I know Mrs. Jane Rossman.

Mr. KENNEDY. Mrs. Rossman was on the grand jury that was considering your case; is that not correct?

Mr. SCHRUNK. Well, she——

Mr. KENNEDY. Just answer the question, please.

Mr. SCHRUNK. No, sir, I wasn't before that grand jury.

Mr. KENNEDY. She did not consider your case?

Mr. SCHRUNK. Well, I don't know. I think they probably did consider it.

Mr. KENNEDY. Don't you know——

Mr. SCHRUNK. I was never before it.

Mr. KENNEDY. Don't you know that your case was considered by that grand jury?

Mr. SCHRUNK. I have reason to believe from some of the people subpoenaed that they——

Mr. KENNEDY. Do you not also know that Mrs. Rossman voted one way one day, then announced to the grand jury that she was changing her vote, and the same day you appointed, or within a day you appointed her husband to the zoo commission? Did you appoint Mr. Rossman to the zoo commission?

Mr. SCHRUNK. Yes, Mr. Rossman was appointed to the zoo commission.

Mr. KENNEDY. And was not Mrs. Rossman on the grand jury? And did not Mrs. Rossman talk to your campaign manager, Mr. Ray Kell?

Mr. SCHRUNK. Not to my knowledge.

(At this point, Senator Goldwater entered the hearing room.)

Mr. KENNEDY. I want to read into the record what the judge said when he threw the grand jury out.

In the first place, the conduct of the grand juror was most irregular, most improper, and a violation of the instruction which the court gave the grand jury. So far as revoting, that is entirely proper at any time concerning this matter or any other matter. But so far as this grand jury, or any member thereof, consulting any citizen, whether attorney or otherwise, on the outside concerning matters which may have been the subject of your investigation, it is highly improper, and any further conduct of that sort, if it comes to the attention of the court, will be considered an act of contempt and will be treated accordingly.

and the judge dismissed that grand jury.

That is Mrs. Rossman, and her husband you appointed to the zoo commission on that day. Is that not correct?

Mr. SCHRUNK. Former county commissioner of Multnomah County, yes.

Mr. KENNEDY. You appointed him to the zoo commission?

Mr. SCHRUNK. Yes.

Mr. KENNEDY. And his wife was serving on the grand jury; is that not correct?

Mr. SCHRUNK. She served on the grand jury; yes, sir.

Mr. KENNEDY. I have one other thing that you brought up, about District Attorney Langley and your opinion of District Attorney Langley. You have said that you have known nothing adverse of District Attorney Langley; is that right?

Mr. SCHRUNK. Well, I didn't say that I knew nothing adverse. Certainly, I have been reading the papers, all the charges.

Mr. KENNEDY. Tell me this: Did you and District Attorney Langley ever conduct any raids on any places, any joints, after he was elected district attorney?

Mr. SCHRUNK. Jointly?

Mr. KENNEDY. No. Well, jointly. Did you ever use your men to conduct a raid that he ordered after he was elected attorney general?

Mr. SCHRUNK. Yes, sir.

Mr. KENNEDY. How many raids were conducted by you?

Mr. SCHRUNK. Do you mean personally or our department?

Mr. KENNEDY. No. How many raids on after-hours joints or houses of prostitution were conducted by you after District Attorney Langley got into office? How many?

Mr. SCHRUNK. Well, I am not sure, sir.

Mr. KENNEDY. Well, approximately how many? Were there 30, 40? Other than this Bennett place?

Mr. SCHRUNK. Well, there was the Ferguson place, the Taft Hotel, the Keystone Club.

Is this in the city of Portland, inside?

Mr. KENNEDY. No. How many places did you raid or have raided with your men?

Mr. SCHRUNK. Well, I couldn't answer exactly how many.

Mr. KENNEDY. Well, how many, approximately?

Mr. SCHRUNK. If you are talking about after-hours establishments within the city of Portland, there is the Keystone Club, there is—

Mr. KENNEDY. How many, approximately? You do not have to name them for me. How many, approximately?

Mr. SCHRUNK. I suppose a half-dozen or so within—

Mr. KENNEDY. How many places did you order abated or request that they have them abated?

Mr. SCHRUNK. Well, I have a letter from the district attorney's office at the present time on some places in Portland.

Mr. KENNEDY. No, I am talking about while you were sheriff. How many places did you request to have abated?

Mr. SCHRUNK. I am not sure of that, sir.

Mr. KENNEDY. Were there any?

Mr. SCHRUNK. I don't know.

Mr. KENNEDY. Don't you know? You can't think of one, can you, that was ever abated while you were sheriff and he was district attorney?

Mr. SCHRUNK. I don't recall any.

Mr. KENNEDY. In that connection, you have been mayor since January 1957.

This is according to the study that our investigators have made: Operating in the city of Portland since January 1957 we have been able to find 35 places. The Bellevue Hotel, which is a "house," operated by Blanche Kaye, and it is operating full time; the Irving Hotel is a "house" and it is operating full time; 180 Southwest Morrison, operated by Marie Maynard, is a "house" and it is operating split-shift; the Libby Hotel, a "call house," is operating full time; the Victory, operated by Snitzer, is a "house," and it is operating full time, it is a house of prostitution. That is what I am talking about.

Evelyn, operating out of Southwest Morrison between First and Second, operating full time; Little Rusty, First and Arthur, operating with Zusman, she takes calls, full time; Villa Rooms, felony arrest, she has just been arrested within the last 3 or 4 days, is operating a house of prostitution, and is operating full time; Eric Caldwell, arrested within the last 2 or 3 days, operating a house of prostitution, and sold liquor.

Mr. SCHRUNK. We have him in jail, too. There are about seven.

Mr. KENNEDY. Since this hearing began, you have closed 2 or 3 of these places, since February 25. Since this hearing began, you have moved in 2 or 3 places. But I have a list here of 35 places that are operating.

Mr. SCHRUNK. I would be most happy to have them from you, sir.

Mr. KENNEDY. You are talking about you and the district attorney want to clean the city up, and Mr. Elkins is keeping it open. I have a list of 35 places that have been operating since January 1, houses of prostitution, callhouses, after-hours places, joints.

Mr. SCHRUNK. I doubt the list, sir, but then I would be most—with your information, I would be most happy to have our vice chief—

Mr. KENNEDY. I think it is peculiar. You have been mayor in there and you wanted to clean the place up, you and District Attorney Langley.

Mr. SCHRUNK. I have been there 2 months. We have had a mass transportation problem facing us, we have a financial problem, we reorganized the police department. Do you expect miracles?

Mr. KENNEDY. No. How long were you sheriff?

Mr. SCHRUNK. Seven years.

Mr. KENNEDY. You had authority in that area, did you not? You could close those places up. You could have them abated. Your testimony here is that since Langley was made district attorney you cannot think of one place that you suggested be abated. Since you have become mayor of the city of Portland, there are 35 places that we found in operation. Can you explain that?

Mr. SCHRUNK. Well, I can assure you that as fast as we can find them, they will be put out. It doesn't matter whose they are, whether Mr. Elkins or anybody's. We will close them up.

Mr. KENNEDY. How do you explain that you have these investigators operating and they haven't found any of these places?

Mr. SCHRUNK. I will ask the same question of my vice division chief when I get back. They are operating—

Mr. KENNEDY. You have been around this area for 7 years and 2 months and you do not know about these places operating, and our investigators have been able to find them?

Will you explain that? Here they are.

Mr. SCHRUNK. I doubt it, but it is conceivable. Strange things happen. We will be most happy to have the list and move against them.

The CHAIRMAN. The Chair will suggest that counsel and the staff provide the mayor with this list. I think if our staff can go out there, 2 or 3 of them, and find these places in just a little while, I would think that you with your large staff, operating there all the time, and who know the community, should be able now to take this list and get out there and clean that place up.

Mr. SCHRUNK. I certainly have been trying, sir.

The CHAIRMAN. I think the good people out there would like to have it cleaned up.

Mr. SCHRUNK. There is a lot of people who want it cleaned up.

The CHAIRMAN. I think they are looking to you to do it.

Mr. SCHRUNK. That is right.

The CHAIRMAN. And the district attorney and the sheriff. You are responsible officials.

Mr. SCHRUNK. I am doing the best I can.

Mr. KENNEDY. There was one other thing in connection with Mr. Langley that I would like to bring up, and your relationship with him. Back in 1956, I believe—I guess it was 1956—the Oregonian ran some stories about the tieup between certain gangsters and the teamsters; is that correct? You are familiar with that?

Mr. SCHRUNK. Yes, sir, they ran a series of stories.

Mr. KENNEDY. In the stories, they said there were certain tape recordings that were kept, showing allegations of bad conduct on the part of Clyde Crosby, who was the international representative of the teamsters, and also William Langley, who was district attorney; is that right?

Mr. SCHRUNK. That is right.

Mr. KENNEDY. Did you have any part of conducting a raid on the home of the person who was supposed to have had control over those tapes, within a week of the time that this information was made public?

Mr. SCHRUNK. Yes sir.

Mr. KENNEDY. You conducted a raid on that?

Mr. SCHRUNK. Our department did.

Mr. KENNEDY. What?

Mr. SCHRUNK. Our office did.

Mr. KENNEDY. Did you know about the raid being conducted?

Mr. SCHRUNK. Yes, sir.

Mr. KENNEDY. What did you do at the place? That just happened to be the same house in which these tapes were; is that right? You just wanted to conduct a raid on this house?

Mr. SCHRUNK. I didn't want to do anything, sir. I received a search warrant, and they asked it to be executed. I turned it over to my officers to execute.

Mr. KENNEDY. Who procured the search warrant?

Mr. SCHRUNK. It came from the district attorney's office.

Mr. KENNEDY. The district attorney was one of those mentioned with allegations of misconduct; is that right?

Mr. SCHRUNK. Yes, sir.

Mr. KENNEDY. So the district attorney, Langley, brought in a search warrant to go into the man's house who had control over the tapes, who had possession of the tapes; is that right?

Mr. SCHRUNK. Well, of course, I didn't know that he had possession of the tapes.

Mr. KENNEDY. Did the search warrant mention the tapes?

Mr. SCHRUNK. It mentioned——

Mr. KENNEDY. Did it mention the tapes?

Mr. SCHRUNK. I don't recall exactly what it did mention.

Mr. KENNEDY. Were the tapes seized?

Mr. SCHRUNK. Yes, sir.

Mr. KENNEDY. You did seize the tapes?

Mr. SCHRUNK. Yes, sir.

Mr. KENNEDY. These tapes that were so important in this case; is that right?

Mr. SCHRUNK. Some of the tapes were seized.

Mr. KENNEDY. Did not the court determine the following day that that search warrant had been obtained based on false information, and threw it out?

Mr. SCHRUNK. I wouldn't want to say what day it was.

Mr. KENNEDY. Did the court not hold that within several days?

Mr. SCHRUNK. Well, there was a period of time in which——

Mr. KENNEDY. Just answer the question.

Mr. SCHRUNK. I don't know, sir.

Mr. KENNEDY. You do not know that the court said that the search warrant was illegal?

Mr. SCHRUNK. There was a series of hearings on the——

Mr. KENNEDY. Answer the question. Do you not know that that was a fact, that the court held the search warrant was illegal?

Mr. SCHRUNK. I am not sure what they actually held. There was a faulty search warrant, I believe was the rule, but they directed me to turn the evidence over to the Oregon State Police.

Mr. KENNEDY. Did the court hold that it was a faulty search warrant?

Mr. SCHRUNK. I believe the district court did, sir.

Mr. KENNEDY. All right. Now, after the tapes were seized, what did you do with the tapes?

Mr. SCHRUNK. Talking about me making copies of them?

Mr. KENNEDY. You made copies of them?

Mr. SCHRUNK. Yes, sir.

Mr. KENNEDY. Did you play them for anyone?

Mr. SCHRUNK. No, sir. Just the people who worked on the raid.

Mr. KENNEDY. Be careful there, Mayor Schrunk. Let me ask you this: Did you play or cause to be played or allow to be played these tapes for anyone?

Mr. SCHRUNK. Yes.

Mr. KENNEDY. For whom?

Mr. SCHRUNK. For Mr. Williams, of the Journal.

Mr. KENNEDY. Of the Oregon Journal?

Mr. SCHRUNK. Yes.

Mr. KENNEDY. Is that Brad Williams of the Oregon Journal?

Mr. SCHRUNK. Yes. He was assisting on the raid.

Mr. KENNEDY. He assisted in the raid?

Mr. SCHRUNK. Yes, sir.

Mr. KENNEDY. And he is the one that you mentioned yesterday?

Mr. SCHRUNK. Yes, sir.

Mr. KENNEDY. And he is the one that was mentioned by Mr. Nate Zusman as coming up and listening in the next room while our investigators were interviewing Mr. Nate Zusman, who flunked the lie-detector test?

Mr. SCHRUNK. I didn't know Mr. Williams took a test.

Mr. KENNEDY. No, this is Mr. Nate Zusman. Go ahead, who else was there?

The CHAIRMAN. Was Brad Williams an officer?

Mr. SCHRUNK. No, sir.

The CHAIRMAN. But you carried him along on the search?

Mr. SCHRUNK. Well, I didn't, sir. Newspapermen quite often go, where they have knowledge ahead of time, and apparently he was involved in getting the information that led to the search warrant.

The CHAIRMAN. Did you carry anybody representing the other paper.

Mr. SCHRUNK. Well, I didn't go.

The CHAIRMAN. You know who was there, I suppose.

Mr. SCHRUNK. No, I don't believe there was anyone else.

The CHAIRMAN. Who did you assign it to?

Mr. SCHRUNK. I assigned it to Detective Minielly.

The CHAIRMAN. Did you know that Brad Williams was going along?

Mr. SCHRUNK. Brad Williams had come to my office, yes.

The CHAIRMAN. You knew he was going.

All right. Proceed.

Mr. KENNEDY. Go ahead. Who else did you play the tapes for?

Mr. SCHRUNK. Well, upon seizure, I called in the FBI, called in the——

Mr. KENNEDY. Would you answer my question, please?

Mr. SCHRUNK. I called in the telephone company.

Mr. KENNEDY. Answer my question. Who did you play the tapes for? You played them for Brad Williams. Who else?

Mr. SCHRUNK. Well, the technicians, borrowed technicians, from the Journal.

Mr. KENNEDY. Go ahead.

Mr. SCHRUNK. That was to make copies of the tapes.

Mr. KENNEDY. Who else?

Mr. SCHRUNK. I don't know their names, sir.

Mr. KENNEDY. Who else did you play them for? You played them for the technicians, and you played them for Brad Williams. Who else did you have the tapes played for or cause them to be played for?

Mr. SCHRUNK. I don't know what you mean by caused.

Mr. KENNEDY. Who heard the tapes?

Mr. SCHRUNK. Well, there was apparently lots of them, lots of people.

Mr. KENNEDY. Would you just answer my question.

Mr. SCHRUNK. The Oregon State Police heard them, Brad Williams played a copy. I had copies made and they were stored in the vaults of the Journal.

Mr. KENNEDY. They were given to the Oregon Journal? This information that you seized in a raid you gave to one of the newspapers?

Mr. SCHRUNK. At my request, they were to go in their vault for safekeeping.

Mr. KENNEDY. You wanted them kept in the Oregon Journal's vault, is that right?

Mr. SCHRUNK. That is right.

Mr. KENNEDY. Why would you want the tapes that you seized in a raid, or information or material that you seized in a raid, to be kept in a newspaper office? Don't you have your own vault?

Mr. SCHRUNK. We have a vault, yes, sir.

Mr. KENNEDY. But you would not keep them in your own vault, you wanted them kept in the Oregon Journal's vault?

Mr. SCHRUNK. I was afraid of a safe man taking a copy. They were pretty important to some people.

Mr. KENNEDY. Who were they important to?

Mr. SCHRUNK. Mr. Elkins.

Mr. KENNEDY. What?

Mr. SCHRUNK. Mr. Elkins.

Mr. KENNEDY. And who else?

Mr. SCHRUNK. Mr. Clark.

Mr. KENNEDY. Go ahead. Who else heard these tapes? Were they also important to Mr. Langley?

Mr. SCHRUNK. Yes.

Mr. KENNEDY. Were they important to Mr. Crosby?

Mr. SCHRUNK. Yes.

Mr. KENNEDY. Okay. Did they ever hear these tapes?

Mr. SCHRUNK. I understand that Mr. Crosby heard part—

Mr. KENNEDY. These tapes, after you seized them in an illegal raid, you gave them to the newspaper to keep in their vault, and you had them played or allowed them to be played for Mr. Clyde Crosby, who was under investigation?

Mr. SCHRUNK. No. They were played without my permission.

Mr. KENNEDY. Who played them for them? They were in your custody, Mayor Schrunck, in your custody. These tapes were in your custody, you are the one who seized them. Who allowed them to be played for Mr. Crosby?

Mr. SCHRUNK. Well, apparently, as the story came back to me, I didn't know it for quite awhile—

Mr. KENNEDY. Who told you the story?

Mr. SCHRUNK. I think one of the newspaper—maybe it was a story that the Oregonian carried or maybe it was something that one of them said—I don't recall—that Mr. Crosby had been allowed to listen to the tapes.

Mr. KENNEDY. Who had he been allowed to listen to the tape by?

Mr. SCHRUNK. Well, apparently, as I found out later, Brad Williams was playing them for the Oregon State Police, and Crosby came in.

Mr. KENNEDY. Crosby came in? Came in where?

Mr. SCHRUNK. I am not sure where it was.

Mr. KENNEDY. Wasn't it the district court room, or was it in your office, or where?

Mr. SCHRUNK. No, sir.

Mr. KENNEDY. Where was it?

Mr. SCHRUNK. I don't know.

Mr. KENNEDY. You never inquired?

Mr. SCHRUNK. Mr. Williams——

Mr. KENNEDY. Did you ever inquire?

Mr. SCHRUNK. Well, I might have at the time. I don't recall.

Mr. KENNEDY. Well, where was it played?

Mr. SCHRUNK. I don't know, sir.

Mr. KENNEDY. Did you inquire? You were shocked, weren't you, that they had done this?

Mr. SCHRUNK. I am not sure if it was at the Journal or Mr. Willams home. I am not sure.

Mr. KENNEDY. Mr. Brad Williams, who you suggested that we contact?

Mr. SCHRUNK. Yes, sir.

Mr. KENNEDY. Go ahead. Who else heard them? Did District Attorney Langley hear them? Do you not know that he heard them, Mayor Schrunk? Do you not know that he heard them?

Mr. SCHRUNK. I rather imagine he probably did. I never released them to him.

Mr. KENNEDY. Then Mr. Crosby and Mr. Langley both heard them. You seized these tapes on an illegal search warrant, turned them over to the Oregon Journal, and had copies made or allowed copies to be made for the District Attorney Langley, who was under investigation, and Clyde Crosby, who was under investigation?

Mr. SCHRUNK. No, I didn't——

Mr. KENNEDY. You are the one that is finding fault with Mr. Elkins, and you are the one that is finding fault with two reporters from the Oregonian. How can you explain this? How can you explain allowing all these places to run?

Mr. SCHRUNK. I would appreciate having a copy of the list, sir.

Mr. KENNEDY. Let me ask you something else in connection with Senator McNamara's interrogation.

Out of the people that signed your nomination papers, what percentage would you say were teamsters or teamster officials?

Mr. SCHRUNK. I would guess 25 or 30 percent, probably.

Mr. KENNEDY. Mr. Clyde Crosby has stated that he was instrumental in getting you to run for mayor of the city of Portland rather than for the secretary of state for the State of Oregon. Did he have any conversations with you in that connection?

Mr. SCHRUNK. Yes. We talked. But when he first came to talk to me at the courthouse——

Mr. KENNEDY. That is Mr. Clyde Crosby, international representative of the teamsters?

Mr. SCHRUNK. Yes, with some other officers.

Mr. KENNEDY. Of the teamsters?

Mr. SCHRUNK. He came in and——

Mr. KENNEDY. Of the teamsters?

Mr. SCHRUNK. Yes.

Mr. KENNEDY. What other officers came to see you?

Mr. SCHRUNK. Pardon?

Mr. KENNEDY. What other officers of the teamsters came to see you to get you to run for mayor?

Mr. SCHRUNK. This wasn't for mayor. When they first came they offered to support me for secretary of state. There had been a lot of talk, and had been newspaper stories.

Mr. KENNEDY. I am talking about when they had the conversation with you about running for mayor. Did Mr. Clyde Crosby urge you to run for mayor?

Mr. SCHRUNK. After I announced my intentions, I think he did offer to help in any way he could to support me.

Mr. KENNEDY. Then 25 or 30 percent of the individuals who signed your nomination papers were teamsters or teamster officials, is that correct?

Mr. SCHRUNK. Well—

Mr. KENNEDY. Just answer the question.

Mr. SCHRUNK. I should have the right to explain.

Mr. KENNEDY. Say yes or no and then you can explain.

Mr. SCHRUNK. If I may explain afterwards, I would say "Yes."

Mr. KENNEDY. Explain.

Mr. SCHRUNK. In Oregon, a candidate for public office can file two ways, on a city nonpartisan election. You either pay a \$25 filing fee or you file, I believe it is, 100 affidavits, little individual slips, nominating petitions. The city provides you with 200 of these copies. Each of them must be notarized. It is a little difficult to circulate them because they have to be circulated by the notary public. I suppose it was my Scotch blood to save the \$25 that I decided to go by the nominating route.

I received these 200 copies, and I took a group over to the Insurance Mortgage Co., where a friend of mine worked. I happened to be in the area of the teamster building, and I thought, "Well, they have a notary public in there," and I went into Mr. Lou Cornelius' office, I believe, and asked him if they had a notary public. He said, "Yes," and I said, "Can you get some of these filled?" And he said "Yes," he would be happy to.

There were attorneys, and there were other people in Portland who circulated them, people of that nature.

Mr. KENNEDY. I just have one other matter that I wish to finish.

The CHAIRMAN. Are you going into another matter?

Mr. KENNEDY. Yes.

The CHAIRMAN. Mr. Mayor, this raid to procure the tapes was made while you were sheriff?

Mr. SCHRUNK. Yes, sir.

The CHAIRMAN. Were those tapes ever taken to the sheriff's office?

Mr. SCHRUNK. Yes, sir.

The CHAIRMAN. And after they were in the sheriff's office, in your custody, definitely under your control and authority, you permitted them to be carried away, stored at some other place, copies of them made, and to be played to the people who were directly involved; is that correct?

Mr. SCHRUNK. Well, not quite, sir.

The CHAIRMAN. What is lacking?

Mr. SCHRUNK. Copies were made. It was my judgment at the time, I felt it was public interest. Since there were Federal problems involved, I called the FBI in.

The CHAIRMAN. How many copies were made?

Mr. SCHRUNK. One.

The CHAIRMAN. Just one copy?

Mr. SCHRUNK. Yes, sir; to the best of my knowledge.

The CHAIRMAN. Who got that? What became of it?

Mr. SCHRUNK. It has been destroyed.

The CHAIRMAN. Who destroyed it?

Mr. SCHRUNK. I did.

The CHAIRMAN. Why?

Mr. SCHRUNK. Because the tapes were taken over by the Federal Government.

The CHAIRMAN. The original?

Mr. SCHRUNK. Yes, sir.

The CHAIRMAN. And, therefore, you destroyed the copy that you had made?

Mr. SCHRUNK. Yes, sir.

The CHAIRMAN. For what reason?

Mr. SCHRUNK. Well, I felt there was no use for it.

The CHAIRMAN. Why did you not turn it over?

Mr. SCHRUNK. To the Federal Government?

The CHAIRMAN. Yes.

Mr. SCHRUNK. Because they wanted the originals.

The CHAIRMAN. Why did you not say "We have had a copy of it made. Here is a copy for you, too"?

Mr. SCHRUNK. I would have been happy to, if they wanted to, sir.

The CHAIRMAN. You did not inquire whether they wanted it or not?

Mr. SCHRUNK. No, sir. It had been moved to the State police office—

The CHAIRMAN. My understanding is that the originals were ordered by the court to be turned over to the attorney general, Mr. Thornton, is that correct?

Mr. SCHRUNK. Yes, sir.

The CHAIRMAN. That is not the Federal Government.

Mr. SCHRUNK. The Federal Government subpoenaed them from Mr. Thornton, from the State.

The CHAIRMAN. But you did not turn them over to the Federal Government?

Mr. SCHRUNK. No, sir.

The CHAIRMAN. You turned them over to Thornton, the attorney general?

Mr. SCHRUNK. Yes, sir.

The CHAIRMAN. After the court ordered it to be done?

Mr. SCHRUNK. Right.

The CHAIRMAN. Did the court know that you had made copies of them at the time the order was made?

Mr. SCHRUNK. Yes, sir, because I had them in court 1 day.

The CHAIRMAN. You had the copy in court?

Mr. SCHRUNK. Yes, sir.

The CHAIRMAN. Did the court order the copy destroyed?

Mr. SCHRUNK. No, sir.

The CHAIRMAN. Did he order all of them turned over to Thornton, or what did the court say to do with the copies?

Mr. SCHRUNK. I don't believe the court said anything, sir.

The CHAIRMAN. Did not the court order you to turn them all over?

Mr. SCHRUNK. I don't recall.

The CHAIRMAN. All the tapes, was that not the order of the court?

Mr. SCHRUNK. All the tapes were, not the copies.

The CHAIRMAN. All the tapes? Well, the copies are tapes, too, are they not?

Mr. SCHRUNK. Yes, sir.

The CHAIRMAN. You withheld the copies that were made. Now, did you withhold them for the purpose of giving those people involved the benefit of them?

Mr. SCHRUNK. No, sir. While those copies were in my possession, no one went over them.

The CHAIRMAN. How long did you keep them before you destroyed them?

Mr. SCHRUNK. Until just before I left the courthouse.

The CHAIRMAN. How long was that?

Mr. SCHRUNK. Well, I left the courthouse on December 31.

The CHAIRMAN. Sir?

Mr. SCHRUNK. On December 31 is when I left the courthouse.

The CHAIRMAN. How long before had you made the raid?

Mr. SCHRUNK. I don't recall the date. It was in May. May 16, or something like that. It was sometime in May.

The CHAIRMAN. I believe you said there was only one copy made. Where did Mr. Crosby get his copy of them?

Mr. SCHRUNK. I don't know that Mr. Crosby has a copy.

The CHAIRMAN. You do not know that he had one?

Mr. SCHRUNK. No, sir.

The CHAIRMAN. You do not know that?

Mr. SCHRUNK. No, sir.

Mr. KENNEDY. You don't know that anyone had copies of those tapes?

Mr. SCHRUNK. No, sir.

Mr. KENNEDY. Mr. McLaughlin and Mr. Maloney? You state you do not know that they had copies of the tapes?

Mr. SCHRUNK. No, sir; I hadn't heard that before.

Mr. KENNEDY. You never had any discussions like that?

Mr. SCHRUNK. No, sir.

Mr. KENNEDY. That is, that they had copies of the tapes?

Mr. SCHRUNK. No, sir.

Senator MUNDT. Mr. Chairman?

The CHAIRMAN. Senator Mündt.

Senator MUNDT. You gave the reason, and I wish you would repeat it, as I am not sure I heard it, as to why you got the tapes in the original raid. You did not put them in the sheriff's office, but you gave them to Mr. Williams to put on the vault of the Oregon Journal. What was the reason for that?

Mr. SCHRUNK. Well, sir, what happened is, I asked if they had technicians, and we got the technicians from one of the radio stations, the newspaper's radio station, to make copies. The originals went in my safe. The copies were put in the vault at the Journal. The reason for that is that I—

Senator MUNDT. I think you said the reason for that was, to refresh your memory, that you were afraid the Oregon State police might raid them and take them out of your office?

Mr. SCHRUNK. No, sir; not the State police. They would have been most welcome to them. I would have been happy to give them to the State police or the Federal people. It was to prevent a safecracker

from taking the safe in the courthouse. I know it sounds a little far-fetched, but Mr. Elkins had quite a few friends in that business.

The CHAIRMAN. We can use the term "fantastic," can we not?

Mr. SCHRUNK. Yes, sir.

Senator MUNDT. So you had the tapes stored in the vault at the Oregon Journal because you thought that was a safer place than the sheriff's vault; is that the idea?

Mr. SCHRUNK. I didn't want them all in one place.

Senator MUNDT. What did you do with the tapes when you first got them?

Mr. SCHRUNK. I took them back to the courthouse and played them.

Senator MUNDT. You played them?

Mr. SCHRUNK. Yes, sir.

Senator MUNDT. And you heard the tapes?

Mr. SCHRUNK. Yes, sir.

Senator MUNDT. I understood you had not heard them yourself. You heard the tapes that night?

Mr. SCHRUNK. Yes, sir. That is the reason that—

Senator MUNDT. You can shed some light on what these tapes said, because we have not heard the tapes. What did the tapes say?

Mr. SCHRUNK. Well, I don't know all it said, sir.

Senator MUNDT. They were derogatory to Mr. Crosby, were they not?

Mr. SCHRUNK. Yes, sir, some of them. I don't recall whether his name was specifically mentioned or not.

Senator MUNDT. Derogatory to Mr. Langley, the district attorney?

Mr. SCHRUNK. I am sure that there was some derogatory remarks in there.

Senator MUNDT. Did you hear Mr. Maloney's name mentioned on the tapes?

Mr. SCHRUNK. I don't remember specifically whether his name was mentioned. I think possibly it was.

Senator MUNDT. Did you recognize the voices on the tapes?

Mr. SCHRUNK. Well, it is kind of a guess. I didn't know—I had never met Mr. McLaughlin until I arrested him, and I have never—

Senator MUNDT. After you had arrested him, then you concluded his voice was one of the voices on the tapes, did you? That was your guess?

Mr. SCHRUNK. I wouldn't want to say. I only talked to him a very short time.

Senator MUNDT. By the way, is the possession of tapes against the Oregon statute?

Mr. SCHRUNK. No, sir.

Senator MUNDT. How could you raid a place and take tapes which it is not illegal to possess, when you found that you raided Mr. Bennett's place and found liquor and gambling devices, which are also illegal, but you could not arrest him.

Mr. SCHRUNK. We were operating on a search warrant, sir.

Senator MUNDT. I am not a lawyer, sir, but does a search warrant enable you to pick up anything, whether it is illegal or not, to take a man's watch, his radio, his tapes, and anything you want to take?

Mr. SCHRUNK. No, sir. Whatever is mentioned in the search warrant or other items that are, on their face, illegal.

Senator MUNDT. Therefore, you got a search warrant which mentioned the tapes, did you not?

Mr. SCHRUNK. I don't recall whether they mentioned—they possibly did mention tapes. I didn't get the search warrant.

Senator MUNDT. What right do you have to have a search warrant to take tapes which are legal to possess? Can you get a search warrant and come into my house and take my wife's rotisserie? Could you do that?

Mr. SCHRUNK. No, sir; as I understood, the search warrant was based on a search for obscene records, tapes, and material. I am not sure just how it was covered. The committee probably has a copy of it.

Senator MUNDT. In fact, that is why they threw the search warrant out as being faulty, was it not, because you were trying to possess something which was legal to keep in a man's home, and you had no right to go in there and take it out, especially when you had a reputation of trying to avoid false arrests, as you had? You did not want to jeopardize that reputation in picking up Mr. Bennett that night, in picking up the gambling equipment, or the poker chips, or the cards, or the blackjack tables, or the liquor.

Mr. SCHRUNK. We seized some 25 or 26 slot machines that were not mentioned.

Senator MUNDT. Now we are back on slot machines again. This is not the slot machine investigating committee. You always get back on these slot machines.

Mr. SCHRUNK. This is in the same raid I am talking about. The slot machines were not mentioned on that.

Senator MUNDT. They were in the same house?

Mr. SCHRUNK. Yes; we seized under that possession.

Senator MUNDT. I have one other question. I was a little bit disappointed, mayor, when you were not forthright to me in your reply to my question about whether you had passed the lie detector test which you had already taken, and you said you did not know. A little later Mr. Kennedy received from you the fact that you had been told by the attorney general that it had been adverse.

Mr. SCHRUNK. I think I passed it, as far as I am concerned. There is no reason why I shouldn't.

Senator MUNDT. So did Zusman, as far as he was concerned, too. I met him in the hall yesterday noon, and he said "I certainly did well with that test." When the fellow added up the score, it did not seem to agree with him.

Forgetting that for the time being, you mentioned the fact that the test was taken by the Oregon State Police, did you not?

Mr. SCHRUNK. Yes, sir.

Senator MUNDT. And they had originally employed a California expert?

Mr. SCHRUNK. Yes, sir.

Senator MUNDT. And he failed to show up, or disappeared or something?

Mr. SCHRUNK. No. He was there at the time I agreed to take it, and then for some reason or another disappeared.

Senator MUNDT. He disappeared. So who did take the test?

Mr. SCHRUNK. A member of the Oregon State Police.

Senator MUNDT. A member of the Oregon State Police. Who is in charge of the Oregon State Police?

Mr. SCHRUNK. Mr. Fod Mason, the superintendent.

Senator MUNDT. Does he work under the attorney general?

Mr. SCHRUNK. No, sir, not directly. For the purpose of this investigation, they conducted the investigation.

Senator MUNDT. So for the purposes of this investigation, he was working under the direction of the attorney general, is that right?

Mr. SCHRUNK. Yes, sir.

Senator MUNDT. You have no reason to believe that either the attorney general or Mr. Mason are under the control of Mr. Elkins, have you?

Mr. SCHRUNK. No, sir.

Senator MUNDT. So that you have no reason to believe that the test was framed against you?

Mr. SCHRUNK. Well, neither Mr. Thornton nor Mr. Mason gave the test.

Senator MUNDT. No; but it was given by people that they selected and in whom they had confidence, and the Oregon State Police, who were under their control, they took it. You told me that you thought the Oregon State Police would be a fine organization to have the tapes, for example, if you put them in their hands, that it was a creditable outfit.

Mr. SCHRUNK. I still think that, and I think it would be a wonderful thing for this committee to bring Mr. Guydane and some of the people we investigated back here.

Senator MUNDT. You implied that the lie detector test that you have already taken was framed. You have no evidence, as I understand it, to convince the committee that either Mr. Thornton or Mr. Mason, of the Oregon State Police, would rig up a lie detector test against you, have you?

Mr. SCHRUNK. No, sir. Mr. Mason and Mr. Thornton—

Senator MUNDT. I want to clear the record on that. If you have it, we want to know about it, and if you do not have it, we want to know that.

The CHAIRMAN. The Chair will say without objection that a copy of the affidavit to which the witness referred, the affidavit of Mr. Richard A. Sutter, will be placed in the record, since the witness referred to it, and we will determine about the other documents after we have had an opportunity to examine it.

(Document referred to follows:)

Statement of Richard A. Sutter, taken at the office of Mr. Raymond M. Kell, attorney at law, Equitable Building, Portland, Oreg., at 10:30 a. m., November 3, 1956

Appearances: Mr. Raymond M. Kell, Mr. Terry D. Schrunck, Mr. George Minielly

Richard A. Sutter, being first duly sworn by the notary public, testified as follows:

My name is Richard A. Sutter, and I reside at 9545 North Clarendon Street. I am employed by the city of Portland as a Portland police officer. I have been with the Portland Police Department 3 years this month. I came here of my own free will after reading the newspaper articles, and I wanted to clarify my position in it, and there is something I think that I need to clear up. I would also like to state that I have never had any conversations with anybody from the Multnomah County sheriff's office until last night when I contacted Mr.

Minielly by telephone and requested that I be permitted to meet with he and Sheriff Schrunk in order to make a statement to them in order to clarify my testimony before the grand jury regarding an incident which took place in Kenton the night that the 8212 Club was closed.

In my testimony before the Multnomah grand jury I told the grand jurors that I had observed a person whom I thought to be Sheriff Schrunk pick up a package. At the time that I made this statement to the Multnomah grand jury I believed it was true, but after thinking it over and thinking about the incident more, I am convinced I was mistaken in my identification, and the party that I saw was definitely not Sheriff Schrunk. And, that is why I contacted Mr. Minielly, I wanted to get it straightened up.

I was assigned to the north precinct January 1, 1954, as I recall the dates. I am pretty sure that's correct. And, at that time I became aware of the fact that a bootleg joint was running, or, at least, an alleged bootleg joint, and that gambling was supposed to be being conducted in the Kenton area. It was at the bus turn-around in Kenton on Denver Avenue.

I spent quite a bit of time—quite a few months there at the north precinct on that occasion. I spent 3 months there on that occasion and was since transferred to other precincts on a training transfer. But, I ended up at north precinct. And I spent some months at north precinct again. Then I transferred to three-wheelers and worked the downtown district for traffic. But, I later transferred back to north precinct and worked second nights.

At the time I went back to north precinct—I can give you the date on that—I was transferred back to north precinct the 18th of August 1955 from traffic. At the time, I became aware that an alleged bootleg joint and a gambling place was running at 8212 North Denver Avenue; that the commanding officers were aware of the fact that it was running and the vice squad apparently was taking no action on it whatsoever. And, I as a uniformed officer couldn't do much about it.

Anyway, it was the early part of September and I and my partner were at the Night Hawk, my partner was having coffee and I was in the car listening to the radio as required, and a party told me that the bootleg joint in Kenton was being raided. So, I asked him if he would tell my partner to come out to the car, which he did. My partner came out and we went down to see what was going on.

Well, we got there—first we just drove by and I spoke to—and we stopped alongside a county car that was parked just in front of the door at 8212 North Denver Avenue and I spoke to a county officer—I don't know his name—but we just call him Red. He is a big fellow. Anyway, we talked to this officer for a second. And, he had, in his car at that time, under arrest, 3 or 4 men. I am not sure whether it was 3 or 4. But, anyway, there were 3 or 4 and they were apparently under arrest. We then drove down to the turn-around in Kenton and drove back up Denver Avenue and made a left-hand turn on to Kilpatrick Street and stopped right on the corner of Kilpatrick and Denver where we could observe what was going on on Denver and the corner of Denver and Kilpatrick.

The county police car left with the prisoners and I noticed that Sheriff Schrunk was standing on the corner by a bicycle. And, pretty soon another one of our cars—well, at that time we heard one of our cars get a call to meet the sheriff there on the corner. And, the car showed up and took the bicycle and left. Well, we left too and we changed positions there and I observed a—anyway, I remember hearing this call came out—come out for one of our cars to come up here. And, it seemed odd that they sent the car from St. Johns clear out there. We were the closest car. But, anyway, they sent this car from St. Johns to pick up this bicycle. And the sheriff turned over a bicycle that apparently had been stolen and dumped there on the corner and the officers took the bicycle and they left.

We drove around a couple of blocks there or a block or so and came back up and we parked on the northwest corner of Denver and Kilpatrick and we observed Mr.—well, we observed the alleged operator—or, I will say that because I don't know really who—I have been told that Slim Bennett ran the place. I had been told that Slim Bennett was the man's name that ran the place.

I observed the fellow who did run the place whom I believe to be Slim Bennett walk across the street. And, I certainly don't remember him walking diagonally as the other account states in the paper because I think I would have pinched him for jaywalking. But, anyway, I observed this Bennett by this telephone pole and this drinking fountain. And, as I recall, he—at least it appeared that he bent down and placed something between the pole and the drinking fountain. And then we observed another man whom at the time I believed to be Sheriff Schrunk go over and it seemed that he picked something up there. And, what

it was that this person picked up, I can't say. But, I told the grand jury in my testimony that it was Sheriff Schrunk, and I believed at the time that it was Sheriff Schrunk but since I have thought a lot about the thing and I have since been convinced it wasn't the Sheriff at all, and I am not even sure whoever it was picked anything up there. And, that is the reason that I contacted Mr. Minielly and wanted to talk to the sheriff was that I wanted to straighten it up in that the newspaper account accuses the sheriff of picking it up and apparently it comes from something that I have said.

In order to clarify the reason that I thought the man that went over and picked this up was Sheriff Schrunk, was the fact that I thought that this place at 8212 had indeed been raided, and no truck showed up to haul out any gambling tables or no whisky was brought out of the place and I considered it improper. And, being a policeman, maybe I had kind of a suspicious nature, I thought that in view of the fact that the city apparently had wanted the place to run, allowed it to run, I thought, and the sheriff hadn't hauled out the stuff, I thought that there had been some kind of a payoff, or something. And, then when I saw Bennett walk over there and apparently put something there and this man who had come from the direction in which I had seen the sheriff standing before come over and apparently pick something up, I thought that it was the sheriff and that he had been bribed. That I jumped to the conclusion that it was the sheriff, I am deeply sorry for the mistake that I made. That's why I come here, because I didn't want to see that innocent person hurt over some statement I had made. I just wanted to get the thing cleared up.

In following nights after this raid at 8212 North Denver, I was assigned to the district and on many occasions when making a tour through Kenton and checking around there I had observed county cars going through. I would also like to state that this bootleg joint at 8212 North Denver never opened again, to the best of my knowledge. I think I would have known it if they had opened up until the time I was transferred, anyway. I know nothing ran after that.

I would also like to make a statement concerning the fact that I had been ordered by superior officers to watch Sheriff Schrunk's home from August—just a minute. That is a mistake—from February 27, 1956, until March 30, 1956. The reason that I was assigned to watch the sheriff's house was that they were afraid the sheriff would get up sometime during the night and leave his home and go out and knock over some of their bootleg joints or gambling establishments or some of their illegal enterprises, anyway, and that was the reason that I was assigned to watch his home.

I was told at that time that I could work this assignment either with my own car in plainclothes or with a city car and plainclothes or in uniform and an unmarked city car, whichever I preferred.

I would like to state here that I didn't like my assignment and I didn't want to—I didn't want it to appear that I had gone along with them in the thing, inasmuch as taking it on myself to wear plainclothes and out-and-out spy on the sheriff. I wore my uniform the whole time, used an unmarked car, but I made a point to get acquainted with the sheriff's newspaper boy, the Oregonian boy and his father, so that if at any time anybody came along, such as the grand jury, who was big enough to do something about the things that had been going on in the city, I would be able to testify and prove the fact that I was in the area. Incidentally, this Oregonian carrier and his dad were not aware that I was watching the sheriff's house. I think it was on Sunday his dad would take him around to deliver the paper. His name was Wesley.

My instructions were if the sheriff should get up at any time during the night and leave his home I was to get to the nearest telephone, not use my radio, and call the north precinct and report the fact that he was leaving, the apparent purpose in that being that they could shut down any vice operations that were running at the time before the sheriff had a chance to move in on it.

During this time I filed no regular reports of any police activity that I was actually engaged in at the time. Any conversations regarding it between myself and superior officers were verbal, sometime by phone and sometimes in person. I think I might add here that the person that ordered me to this assignment has since been indicted by the Multnomah grand jury and I have given all this testimony to the grand jury.

I would also like to add that during the time that the State police were contacting Portland police officers during the course of their investigation concerning vice and corruption in Multnomah County and in Portland, and before my appearance before the Multnomah County grand jury, that I had become aware of the fact that my home was being watched and I felt it was by the Portland police

department. I was fearful for my wife and the safety of my home because, well, it was simply because they didn't trust me and they were afraid that I was going to talk to the grand jury.

I would just like to repeat again that the only reason that I am giving this statement or talking about these incidents at all is because I feel that I was mistaken in my testimony regarding Sheriff Schrunk before the Multnomah County grand jury and that all I want to do is be an honest police officer and do my job in the right manner. And I feel it is my duty as long as this incident on which I testified before the grand jury has come out in the paper that it is my duty as long as I realized that I made a mistake and—not only my duty, and my obligation to state that I was mistaken.

And I would like to say again that I am positive that it was not the sheriff and I am not even sure if anything was picked up by the party I did see.

I would like to repeat again that I have given this statement to Sheriff Schrunk and Mr. Minielly voluntarily and without any threats or promises.

(Signed) RICHARD A. SUTTER.

STATE OF OREGON,

County of Multnomah, ss:

I, Jack Elliss, a notary public for Oregon, and an official reporter of the United States District Court for the District Court of Oregon, hereby certify that Richard A. Sutter personally appeared before me on Saturday, November 3, 1956, at 10:30 a. m., in room 113, Equitable Building, Portland, Oreg.; that said deponent was by me first duly sworn to testify the truth, the whole truth, and nothing but the truth, and then proceeded to give me a statement; that said testimony of said deponent in said statement was taken down by me in stenotype and thereafter reduced to typewriting by me, and the foregoing transcript, pages 1 to 10, both inclusive, constitutes a full, true, and correct record of said testimony given in said statement by said Richard A. Sutter.

Witness my hand and notarial seal at Portland, Oreg., this 3d day of November 1956.

(Signed) JACK ELLISS.

My commission expires August 10, 1957, notary public for Oregon.

The CHAIRMAN. The witness may have to be recalled after lunch. I am not sure. But at this time, the Chair wishes to announce to you that if you wish to carry out the understanding that you will take the lie-detector test, that you report to Mr. Kennedy or someone of the staff designated by him for that purpose.

So that the public will understand, and you, likewise, the staff has to take this record, the transcript of this record, and get from it the questions that have been asked you in order for the test to be made. So it takes a little time. This is Friday, and I am not sure just how soon it can be arranged, but it will be arranged at the earliest possible time.

If there are no other questions, we will stand in recess until 2 o'clock.

(Members present at the taking of the recess: The chairman, Senators Ervin, McNamara, Mundt, and Goldwater.)

(Whereupon, at 12 noon, the committee recessed, to reconvene at 2 p. m., the same day.)

AFTERNOON SESSION

(The hearing was resumed at 2 p. m., Senator John L. McClellan (chairman) presiding.)

The CHAIRMAN. The committee will be in order.

(Present at the convening of the hearing were Senators McClellan, Ives, McNamara, Mundt, and Goldwater.)

The CHAIRMAN. Before we resume testimony, the Chair will announce, and I overlooked it at the conclusion of this morning's session, that a transcript of the testimony of Mayor Schrunk and those

other witnesses who testified directly in conflict to his testimony will be transmitted promptly to the Department of Justice for possible perjury prosecution.

I would say that the Justice Department in some instances where there is just a conflict of testimony between two witnesses will have a difficult job in resolving the veracity of the witnesses.

In this instance, however, I think there is opportunity for the Justice Department by pursuing the matter to find the correct answer and then determine what its duty is with reference to prosecuting the guilty.

Senator MUNDT. I think we should also follow the same practice we did with Mr. Zusman, inasmuch as Mr. Schrunk has requested the opportunity to take a lie-detector test and we have made arrangements for him to do so.

I think the results whatever they show should be in our record and should be sent to the Justice Department.

The CHAIRMAN. The Chair announced that as a policy this morning and, of course, that will be done if the lie-detector test is taken. The results of it will be transmitted as a part of the record and the results of it will be actually placed in this public record.

All right, Mr. Chief Counsel.

Mr. KENNEDY. I was discussing a list this morning of about 35 places in the city of Portland which had operated since January 1, 1957. Could we have this made a part of the record? I did not read the whole list. I would like to also explain that where I have here, "Type of business—house," it means house of prostitution and that "calls" means call house and that Zusman here is Nat Zusman whom we have had as a witness.

The CHAIRMAN. That may be printed in the record.

(The list referred to follows:)

Partial list of "joints" operating in Portland, Oreg., since Jan. 1, 1957

Address or name	Operator	Type of business	When operated
1. Bellevue Hotel, 308 Southwest 12th.....	Blanche Kaye.....	"House".....	Full time.
2. Irving Hotel, Northwest 12th and Wash- ington Sts.	do.....	do.....	Do.
3. 189 Southwest Morrison.....	Marie Maynard.....	do.....	Split shift.
4. Libby Hotel.....	Libby and cab drivers.	"Calls".....	Full time.
5. Victory (Snitzer), Northwest 6th at Couch.	.....	"House".....	Do.
6. Evelyn, Southwest Morrison between 1st and 2d.	.....	do.....	Do.
7. Little Rusty, 1st and Arthur.....	W/Suzman.....	"Calls".....	Do.
8. Villa Rooms (felony arrest Feb. 25, 1957).	.....	"House".....	Do.
9. Eric Caldwell (Rodney & Cook—felony arrest, Feb. 25, 1957).	.....	"House" and liquor.....	.....
10. Kaye Hanson (apartment house calls— left town in 1956 but came back in 1957).	.....	.....	.....
11. Anne Greenough Northwest 24th and Overton.	.....	Very large call busi- ness.	.....
12. Nortonia Hotel (arrested Feb. 25, 1957).....	3 bellboys operat- ing calls with cabs.	.....	.....
13. 74 Northeast Cook.....	Sylveter.....	Colored gambling and whisky.	Weekends.
14. 72 Northeast Monroe.....	Freddie.....	"House".....	Full time.
15. 77 Northeast Morris.....	Mary.....	Colored gambling and whisky.	Varies.
16. 5 Northeast Thompson.....	S. Baker.....	do.....	Weekends.
17. 1721 North Vancouver.....	Armetta.....	do.....	Do.
18. Setback house on Russell west of Union.....	.....	Full-time "house"	.....
19. 106 Northeast Weilder.....	Pearl.....	"House," gambling and whisky.	Full time.
20. 1510 Northeast 1st.....	Kizer.....	Gambling and whisky.	Do.
21. 1504 Northeast 1st.....	Robbie and Otis.....	Gambling and whisky "house".	Do.
22. Nance's Bar-BQ.....	Nance.....	Gambling and whisky	Do.
23. 17-7 North Ross.....	Louise.....	do.....	Varies.
24. 819 North Cook.....	Sammy.....	do.....	Weekends
25. 3526 North Commercial.....	Mamma.....	do.....	Do.
26. 3705 North Commercial.....	Jessie.....	do.....	Weekdays.
27. 3539 North Commercial.....	Sailor.....	do.....	Weekends.
28. 3316 North Vancouver.....	Fowler.....	do.....	Do.
29. 1200 North Larrabee.....	Water Boy.....	do.....	Do.
30. 120 Northeast Multnomah.....	Hazel.....	"House".....	Full time.
31. 134 Northeast Halsey.....	Rita.....	do.....	Do.
32. 1476 North Williams Court.....	Liz.....	Gambling and whisky	Do.
33. 633 Northeast Morris.....	Poppa.....	do.....	Weekends.
34. Old Chinese Gambling place near Wil- liams and Russel.	.....	Polley, chuck-a-luck, and wheel.	.....
35. "Fireside" near Milwaukie, connected with Seattle and Spokane gamblers.	Mr. Lewis.....	Craps and illegal whisky.	.....

The CHAIRMAN. Who is your witness?

Mr. KENNEDY. Mr. Clyde Crosby.

The CHAIRMAN. You do solemnly swear that the evidence you shall give before this Senate select committee shall be the truth, the whole truth and nothing but the truth so help you God?

Mr. CROSBY. I do.

The CHAIRMAN. Be seated.

**TESTIMONY OF CLYDE C. CROSBY, ACCOMPANIED BY HIS COUNSEL,
WARREN E. MAGEE**

The CHAIRMAN. Will you please state your name, your place of residence and your business or occupation?

Mr. CROSBY. My name is Clyde C. Crosby. My home is at 3815 Southeast Alder Street, Portland, Oreg. I am a paid organizer for

the International Brotherhood of Teamsters, assigned to the State of Oregon.

The CHAIRMAN. You have counsel with you?

Mr. CROSBY. Yes, sir, I do.

The CHAIRMAN. Counsel, will you please identify yourself?

Mr. MAGEE. My name is Warren E. Magee. I am a practicing attorney here in Washington and my office is at 745 Shoreham Building, Washington, D. C.

The CHAIRMAN. Thank you, sir.

Mr. Crosby, I think we have asked all of the other witnesses, the principal witnesses, where we had information about it and I will ask you a few of the same questions, and there may be others that should be asked you. Is Clyde Crosby your name?

Mr. CROSBY. Yes, sir, it is.

The CHAIRMAN. Have you ever gone under any aliases?

Mr. CROSBY. There was an incident at a time when I was 15 years old involving my incarceration, where I used another name, yes, sir.

The CHAIRMAN. That was the name of Hardy?

Mr. CROSBY. Bob Harper.

The CHAIRMAN. Bob Harper?

Mr. CROSBY. Yes, sir.

The CHAIRMAN. In what State?

Mr. CROSBY. The State of Arizona.

The CHAIRMAN. Have you recently taken actions to expunge the court records?

Mr. CROSBY. I made an application before the judge at Prescott, Ariz., under the statutes provided in the courts of Arizona to have this judgment set aside and declared null and void and that action was favorably acted upon by the judge, yes, sir.

The CHAIRMAN. When was that action filed?

Mr. CROSBY. The exact date escapes me, but I believe it was in August of last year.

The CHAIRMAN. In August of last year?

Mr. CROSBY. Yes, sir.

The CHAIRMAN. That case is now on appeal, I believe, is it?

Mr. CROSBY. It is not on appeal, Mr. Chairman. The constitutional period for appeal was allowed to go by. But Mr. Thornton, of the State of Oregon, in a conversation with the attorney general of Arizona persuaded the attorney general of Arizona to test the constitutionality or right of the judge to take this action on a writ of certiorari, as I am told.

The CHAIRMAN. Was the prosecuting attorney there notified, and did he have any knowledge of the action or the State attorney general at the time the action was taken?

Mr. CROSBY. I can only say this: The prosecuting attorney of Yavapia County, I believe it is, was present in the courtroom during the taking of all of the testimony, corroborative evidence, and during the rendering of the decision.

The CHAIRMAN. You did serve a sentence?

Mr. CROSBY. Sir?

The CHAIRMAN. You did serve a sentence, did you?

Mr. CROSBY. In 1915.

The CHAIRMAN. At that time—

Mr. CROSBY. I beg your pardon. I was born in 1915 and this incident happened in September of 1938. I did serve 15 months; yes, sir.

The CHAIRMAN. All right.

Senator MUNDT. Do we have in the record what this crime was or what the judgment was, or why you went to jail?

Mr. CROSBY. Well, I would dearly love to have an opportunity to tell you the whole story, but I know you are not going to allow me so I will simply state that I was with another man and we got hungry, and this man went into a house and took some food.

Senator MUNDT. It was a burglary charge?

Mr. CROSBY. Yes, sir.

Senator MUNDT. That is all I wanted.

Mr. CROSBY. Mr. Chairman, may I have permission to read a paragraph of my statement?

The CHAIRMAN. Just one moment, Senator Ives had some questions he wished to ask you, and then, the Chair will permit you. As I understand, the statement has been filed and examined under the rules.

Mr. KENNEDY. Mr. Crosby said something about part of the statement and I am sure he wishes to read his whole statement.

Mr. CROSBY. I had intended in the interest of time, to just read some excerpts from it, Mr. Kennedy. If it is your desire and wish, of course, I will have to read it all.

The CHAIRMAN. It is filed before the committee and the Chair has not read it. I think probably you had better read all of it. Senator Ives?

Senator IVES. I would like to ask Mr. Crosby a few questions before he starts reading the statement. One of the things that we are a little bit obscure about here is the connection which you, as a representative of the teamsters, have with the rank and file of teamsters.

Now, as I understand, you are the international organizer for the teamsters international for the State of Oregon, is that correct?

Mr. CROSBY. Yes, sir.

Senator IVES. Just what is your title?

Mr. CROSBY. I am the international organizer for the State of Oregon, paid by and in the employ of the international. I would like to go one little step further, if I may, and explain the particular understanding that exists with reference to my employment there.

Senator IVES. Go ahead. I am trying to find out what your connection is.

Mr. CROSBY. Thank you, Senator. Customarily the organizers in the field work under the direction primarily of the vice president of the region.

Senator IVES. Who is that?

Mr. CROSBY. Frank Brewster, sir.

Senator IVES. That is Brewster?

Mr. CROSBY. Yes, sir; he is one of the international vice presidents and I consider him my immediate superior in the region.

Senator IVES. Is he the one that appointed you?

Mr. CROSBY. No. I think that he recommended me.

Senator IVES. Who appointed you?

Mr. CROSBY. Dave Beck, sir.

Senator IVES. The president himself?

Mr. CROSBY. Yes, sir, but I would like to say this—

Senator IVES. Do you know where Mr. Beck is at the moment?

Mr. CROSBY. No, sir, I don't.

Senator IVES. Go ahead.

Mr. CROSBY. I would simply like to say this: That the term "organizer" to some extent is superfluous, at least in my area. Many of my duties were taken up with the problems of coordination, aid and assistance to local union areas, and contract negotiations, meetings with employers, and so on.

In general sense the understanding of the word "organizer" means to get out and organize somebody. But actually, that was not the case with me, only in unrelated periods, or occasional periods. Basically I did coordinating work.

Senator IVES. What you actually did do was organize locals, is it not? Was that not part of your work?

Mr. CROSBY. Organize locals?

Senator IVES. Yes.

Mr. CROSBY. I just cannot state that that is my job.

Senator IVES. You had no connection whatever with locals in any way, shape, or manner?

Mr. CROSBY. Yes, I do.

Senator IVES. What is your connection with the locals?

Mr. CROSBY. Well, the local unions in the State of Oregon—they always get you when you have your hand at your mouth—the local unions—

The CHAIRMAN. They do that to us, too, but the Chair will admonish them to take your pictures when you are composed.

Mr. CROSBY. Thank you.

That of any particular weaknesses or problems, part of my work has been to try to aid and strengthen them. Since I have been on this work I made a study of the local unions in the State of Oregon under trusteeship, and strongly recommended to my immediate superior, Mr. Brewster, that we take immediate steps to put these locals on their feet, to get them into shape financially and contractually so that they could be removed from trusteeship and officers elected.

Senator IVES. How long have they been under trustees?

Mr. CROSBY. I believe when I took the job there were eight locals in the State of Oregon under trusteeship.

Senator IVES. How many now?

Mr. CROSBY. Four, sir.

Senator IVES. Two-thirds of all of the teamsters in Oregon were under trusteeship, is that right?

Mr. CROSBY. No, sir. There are 23 operating local unions in the State, sir. It has always been my intention and I have always worked toward the point where ultimately they would all be removed from trusteeship.

Now, there is one local union that has a little bit different situation involved. That was a brand new local union composed of over-the-road drivers, local pickup and freight drivers.

It was chartered off of another local union that was becoming cumbersome in numbers and details and difficult to administer. At my recommendation, the international issued a charter for those people I just outlined.

That local is under trusteeship theoretically for a period of 2 years to give it an opportunity to plant some roots and to familiarize itself with the work that is necessary so that it can then handle its own affairs.

Senator IVES. Just what is a trusteeship? I do not think that you defined that.

Mr. CROSBY. A trusteeship is a system applied either by request or at the apparent need upon any local union that appears to be in difficulties, either from bad management or from just plain inability to cope with the problems in its area. It is not intended to be a strong-arm method to control membership. It is simply intended to guarantee that the local does not disintegrate.

Senator IVES. Well now, in that connection. I want to ask you this, if that is a local: What is the average membership in a local?

Mr. CROSBY. That fluctuates so bad, Senator, that it would be impossible for me to strike a figure. As an illustration, the local union that I had at the time I took this job, I had approximately 6,300 members and it was probably the largest local in the State.

Now, that would vary from that point down to 250 or 300 and so, on, scattered around the State.

Senator IVES. And you have 30 some locals in Oregon?

Mr. CROSBY. I believe, if I am not mistaken, and I wouldn't want to be held to this, that as I recall I think that there are 23 functioning local unions of the teamsters in the State of Oregon.

Mr. KENNEDY. There are 21, I think.

Mr. CROSBY. We consolidated 2 locals and made 1 out of it.

Senator IVES. It does not have much bearing on what I am trying to drive at fundamentally. I want to find out how often they have elections in these locals.

Mr. CROSBY. These locals in trusteeship, as a general rule, do not have elections.

Senator IVES. They do not have elections?

Mr. CROSBY. Well, let me put it this way, Senator: Until they are taken out of trusteeship. Now, there was a departure from that procedure in one of the local unions that is of important interest to this committee. That is local union 223 of which Mr. Hildreth is the secretary.

A man by the name of Eddy Davis was the secretary prior to Mr. Hildreth, taking it over. At that time that he was secretary, Mr. Jack Schlaht, the secretary-treasurer of local 162 was the trustee of that local union.

I am sure that the records will show that an election was held permitting the election of officers even though a trusteeship existed. I think that was an arrangement strictly between Mr. Schlaht and Mr. Davis.

But I am here to answer frankly that as a general rule elections are not held in local unions, at least in my State where I am qualified to speak, until the local union is considered to be in a position where it can handle its own affairs autonomously.

Senator IVES. That means, does it not, that there are many instances or some instances at least, where a local might not be considered ever to be able to handle its own affairs.

Mr. CROSBY. Well, if there was some underhanded desire to control a local, perhaps that is correct, Senator. I can assure you that such

was not the feeling of the people in Oregon. We wanted as soon as I was in a position to influence the situation to get these locals out of receivership and get them functioning on their own basis.

I think we have made a considerable amount of progress in that direction.

Senator IVES. Now, just a minute on that. How often are your elections held in those locals that are not in receivership?

Mr. CROSBY. That are not in receivership?

Senator IVES. Yes; and most of them are not in receivership.

Mr. CROSBY. The constitution provides, sir, that elective offices shall be filled for not less than 3 years and not more than 5.

Now, local union's constitutions and bylaws are adopted by many local unions and approved by the president of the international sometimes, provided for periods ranging from 3 to 5 years. But not in excess of 5 and not under 3, as I understand it.

Senator IVES. Is there any such thing as a quorum required of those voting in an election of that kind? Say you have a local and you are talking of this local of 6,000 you had in it, or 6,300.

Mr. CROSBY. Yes, sir.

Senator IVES. I want to ask you this about that: On that 6,300 basis, how many would be a quorum and would have to vote in an election to have the election held officially or legally.

Mr. CROSBY. Our elections, Senator, are held this way: Notice is published in our weekly paper that certain individuals' terms are up for election. In the month of November, and in the month of December, nominations are held for elections to those offices, to anyone who qualifies by virtue—

Senator IVES. Where are the nominations held, in your hall?

Mr. CROSBY. They are held at the regular meetings, sir.

Senator IVES. At the meeting place?

Mr. CROSBY. Yes, sir.

Senator IVES. At the union hall?

Mr. CROSBY. That is correct. During the month of November and December the nominations are held at the regular meetings. Some time after December, after the December meeting, usually a date embracing a weekend whereby those people who are out of the city during regular work but return home for weekends have an opportunity to vote, there is usually a 3-day period.

An election board is set up and ballots printed and every member in good standing is entitled and does take advantage to come in and cast his vote for the candidate that he feels the best qualified and that is the manner in which the election is held.

Senator IVES. Well, I am still trying to find out what your quorum is. That is your process to have your election but what is your quorum and what do you have to vote for a quorum?

Mr. CROSBY. We have a regular procedure for all meetings. In the local union over which I had some supervision as a secretary, that required a minimum of 50 people to be present before you could transact business.

Senator IVES. In other words, you do not have to have a majority present to transact business; is that right?

Mr. CROSBY. No, sir. A majority of 6,000 would—

Senator IVES. You would have over 3,000, that is what I am driving at. I understand that is a pretty big union. But you said you have unions of around 200 and 300.

Mr. CROSBY. Yes, sir.

Senator IVES. That would be around 150 to 200 to make a majority there. Now, what I am driving at is this: Do you have what you consider to be democracy in your locals?

Mr. CROSBY. Yes, sir, we do.

Senator IVES. How do you get it? I cannot see that anything you have said describes it. How do you get it?

Mr. CROSBY. Are you referring to locals in trusteeship?

Senator IVES. I am referring to locals in trusteeship, and locals outside of trusteeship. You cannot have a majority participating.

Mr. CROSBY. Many attempts have been made by the officials of local unions, Senator, to encourage interest in the meetings. As a matter of fact, the locals at many and various times have instituted programs whereby they have door prizes and give someone free dues or a turkey or something like that to encourage them to come to the meetings.

I engaged in a study at the time I was the secretary of local 162, to try to determine why it was that in the normal course of events throughout the year, generally speaking our attendance was not as high as it should be.

Senator IVES. To what do you attribute that?

Mr. CROSBY. I sent out our business agents, at that time I think I had nine, and I asked them to ask the members this: What is the matter with our meetings and why don't you come? Are we conducting ourselves in a dry manner that makes it a dead evening, or what do you want us to do to improve it? And what do you suggest we do to improve it?

The answers basically and fundamentally summed up as follows: "As long as you take care of our affairs, contractually and straighten out our beefs and look out for our interests, we are not too worried. We like to bowl and we like to go fishing and we like to swim."

They have many interests and a lot of our drivers make a fair amount of money and they have other interests. But I would like to point out, sir, before I am through that at every occasion when a contract came up for discussion and negotiation, that is the time you could count on nine-tenths of those people being present in the meeting.

They were there to look out for their interest and to make their wishes known.

Senator IVES. If you did not carry out their wishes, you knew about it; is that correct?

Mr. CROSBY. I have been blamed many times, sir.

Senator IVES. I expected that that would be the answer you would give to the question. It is a question of "letting George do it." The members of the rank and file are perfectly happy and contented as long as things go their way, as they see it; is that not right?

Mr. CROSBY. Well, I have never heard of things going their way as they would like to have them. But for instance, a contract that has finally reached some conclusive stage in negotiations and brought back to them for discussion and voting invariably will have a minority group. They don't necessarily like the provisions of that agreement and would like to go back and get more.

I have always followed a policy of trying to obtain as nearly as much as they expect to get consistent with good business judgment and recognition of the employer's problems.

At that time, when I felt I reached that point, I went back to the membership, and I simply told them this:

There isn't anything more here that I can get by a selling job. Personally, I feel that this is fair, equitable, and should be given serious consideration.

Outside of occasional one or two instances, I think that was sufficient to close the matter, and I simply point out that even though the matter was settled contractually, there was some segment who felt they didn't get what they should have gotten.

Senator Ives. I have one more question. Is it not a fact that not too many participate at times because of the work in which they are engaged? The teamsters do a lot of traveling and they cannot always be in one spot. Does that not have something to do with it?

Mr. Crosby. Yes; that is a problem at times. We have had to cancel meetings and reset them at a date that would permit the officials to be in the meeting, and I think that has happened to me.

Senator Ives. The upshot of the whole thing is that, your locals are where the primary work is done. I know a little bit about labor organizations; the home base is the local.

The upshot of the thing is that a majority of the members in the locals are not participating. You have indicated that yourself, and they are not participating for one reason or another. I think that is the answer that I was seeking.

Mr. Crosby. Well, I could sum it up this way, and I may be violently castigated by some of my own colleagues, I don't know——

Senator Ives. Be frank about this thing. I am looking at it from a labor-relations standpoint.

Mr. Crosby. I simply feel this way, Senator, that a local union as far as the members are concerned, and I have brought this matter up before then many times, is a business. It is a business whereby the member is a stockholder.

Now, at a stockholders meeting, unless something of major importance comes up, many people stay away or give proxies. We don't allow them to give proxies, but we do encourage every way that we can, participation.

They just simply feel that the quality of the leadership is the predominant thing. If it is sufficient to merit their confidence they would just as soon bowl or take the wife to a show as to come down and listen to some dry statistics about the cost of living and political problems and so on.

Now, I don't know the answer to that.

Senator Ives. On that point, let me interrupt you. You might be interested to know that at one time, and this was some time ago, legislation was considered, not seriously but it was considered, which would require in labor organizations and the locals that a certain percentage of the membership to participate in elections, and that elections to be held periodically over a period of time.

That same legislation would have applied to corporations because you cannot treat labor one way and corporations another way. That was considered at one time. The legislation was designed to encourage the individual members of local unions to participate in union elections.

Mr. CROSBY. We attempted to institute that same general type of procedure by passing a motion in meetings to amend our constitution and bylaws making it mandatory that the members attend at least one meeting a quarter.

Some of our "sea" lawyers in our membership, and there are a lot of them who know the business as well as we do and some of them probably better, have pointed out that they are protected by the Taft-Hartley law and would not have to face any sort of penalty in the event that they choose to disregard such a rule.

Now, I would be tickled to death if legislation was passed that made it mandatory for members of local unions to attend their meetings at reasonable periods of time consistent with the other problems that the normal man has.

I don't say he should be in every meeting, but I think that he should be there at least two or three times a year to find out what is going on.

Senator IVES. He should certainly attend the annual meetings?

Mr. CROSBY. They always attend annually if a contract is in there.

Senator IVES. I am talking about when you have your elections. Those are annual meetings and sometimes they are every 3 years, you say, or 5 years. Whenever those meetings are held, they ought to be there; is that right?

Mr. CROSBY. I beg your pardon; I didn't understand.

Senator IVES. Each member should be present who possibly can be present at every meeting where is an election.

Mr. CROSBY. Sir, we have worked at that extremely hard, that is, to get that very type of thing going. Many people are just lazy and they say, "Well, Jack Jones has done a good job, and he is going to be re-elected. Why should I get out of bed and go down and vote?"

It is a question just like you stated, to "let George do it" to a certain extent.

Senator IVES. What would you think of that kind of legislation suggested here? You seem to indicate that you would kind of like it.

Mr. CROSBY. I like any legislation that I think is constructive.

Senator IVES. Is that constructive, to force people by law to attend meetings? I don't think it is, and that is why the idea was dropped.

Mr. CROSBY. I didn't say that. I am getting in over my head.

Senator IVES. I think that you will agree that one of your problems in the teamsters is the fact that the rank and file of your members do not participate sufficiently in your organization. If you have any trouble, it is due to that.

That is your basic trouble.

Mr. CROSBY. All I can answer for, sir, is the State of Oregon. I think that the percentage of participation is relatively high comparisonwise.

Senator IVES. But that is very small, actually; you just indicated that.

Mr. CROSBY. That is the only area that I am qualified to speak on.

Senator IVES. You have indicated yourself it is very, very small, actually. I am not talking about the State of Oregon. I am talking about the participation.

Mr. CROSBY. Yes, sir.

Senator IVES. Thank you very much.

The CHAIRMAN. Mr. Crosby, you have a statement that you filed with the committee and you say you desire to read. The Chair will

permit you to read the statement in full or if there is any part of it, as you approach it, you desire to withdraw for reasons that you may state, you may withdraw it.

If you read the statement, anything that you leave in the record will be under oath as a part of your testimony and if it is true, why it will be true, and if it is not true, then you would have to take the responsibility for it.

I am making that statement because I have read some from the first page of your statement and, apparently, you realize that. So as you read it, if you come to some part you wish to withdraw because you are not sure it is true, and do not want to testify to it under oath, you may indicate that part and the committee will pass on it.

All right, you may read your statement.

Mr. CROSBY. Mr. Chairman, I wonder if I could ask a question. Would you permit me to read the parts that I have left in the statement with the blanket request that the rest of it remain out?

The CHAIRMAN. Well, let me ask you this: You have submitted this statement to us. Why are you now wanting to withdraw some parts of it?

Mr. CROSBY. For the simple reason, sir, that I got up at 3 o'clock this morning and dictated this statement to my wife and I was in a depressed state of mind. Since I have been here, and I have been here since February 25, waiting for an opportunity to testify, I don't feel that some of these statements are now appropriate, sir.

The CHAIRMAN. All right, the Chair is going to let you read such parts of it as you want to read.

Mr. KENNEDY. Could I make a statement there, Mr. Chairman? This statement was submitted about 2 weeks ago, I believe, or 10 days or 2 weeks ago, and it was also distributed to the press at that time. It was within 3 or 4 days of the time I received it and so it has had public consumption and Mr. Clyde Crosby submitted it as a statement that he was going to read at the hearing.

Whatever he wants to do—if he wants to withdraw some of it if it is untrue—that is fine.

The CHAIRMAN. The Chair is going to permit him to read such parts of it as he wishes to read. He can withhold reading such parts as he now thinks he does not want to read, but on any part of the statement filed with the committee, the witness would be subject to interrogation about it.

All right, proceed.

Mr. KENNEDY. You do not have any other copies of it now, do you, that we could distribute generally?

Mr. CROSBY. No; I don't, sir.

The CHAIRMAN. Proceed.

Mr. CROSBY. I respectfully request that I be given an opportunity to make this statement prior to my being questioned as a witness. I wish to state that it is my earnest desire to answer any and all questions that your honorable committee proposes to ask me if I am able to do so.

The CHAIRMAN. Now, at the points where you skip, I wish that you would pause and indicate so we can follow you. It is going to be difficult unless you do that.

Mr. CROSBY. I would give you the corrected statement, sir, willingly, after I have read it.

The CHAIRMAN. We have the statement here and we will follow it. This is just so we do not go along and when we get through try to question you about something we are not sure is in your statement or out of it.

The last words you used were, "to do so."

Mr. CROSBY. Yes, sir.

The CHAIRMAN. All right, now, anytime you come to a stop where you want to skip indicate then you are skipping down to another place so we can indicate it. It is to help us follow you, and the record is being made.

Mr. CROSBY. Yes, sir. From the words, "do so," I have skipped down to the words, "the Oregonian newspaper," which is in the middle of the sentence.

Mr. CHAIRMAN. All right.

Mr. CROSBY. The Oregonian newspaper, Big Jim Elkins, local head of Portland's underworld syndicate, and some members of the Portland city government now holding office as well as former members of city government not now holding office are responsible for these indictments.

Apparently I have overlooked the statements, sir, that I am presently under four indictments in Portland, Oreg. What I did, I accidentally passed it up.

May I go back over it, sir?

The CHAIRMAN. Let me suggest that you read your statement. I have already found difficulty with it. I cannot tell when you are reading and when you are not.

Mr. CROSBY. There is only a little more crossed out and then I will be reading it verbatim.

Senator MUNDT. It would be simpler to me if he would read the whole statement and then, having read something he does not want in the record, he can say, "I will ask the previous sentence be deleted," because I am getting entirely lost.

The CHAIRMAN. I cannot follow it.

Let us start from the beginning.

Mr. CROSBY. Yes, sir.

The CHAIRMAN. Start at the top and let us go.

Mr. CROSBY. I respectfully request that I be given an opportunity to make this statement prior to—

The CHAIRMAN. Where do you go down to there?

Mr. CROSBY. Strike the rest of the sentence, "prior to being questioned as a witness."

Senator MUNDT. That is not very important business to be bothering the committee with for a half hour. All you have stricken out is, "prior to the period that lies ahead," and that does not indict you.

Mr. CROSBY. I have stricken some other stuff out, Senator.

Senator MUNDT. I see. I am just trying to follow what you have stricken out.

The CHAIRMAN. The Chair is not going to require the witness under oath to testify to something he does not want to testify to. But you certainly have placed a difficult problem here before the committee to try to follow your testimony.

Mr. CROSBY. I believe now, sir, I can go through it without bungling the job.

The CHAIRMAN. All right, I hope you can. Let us go on.

Mr. CROSBY. Four indictments are presently lodged against me in Portland, Oreg. Strike the rest of it down to "The Oregonian newspaper."

The Oregonian newspaper, Big Jim Elkins, local heads of Portland underworld syndicate, and some members of the Portland city government now holding office as well as former members of city government not now holding office—strike the words, "are responsible for these indictments." I am striking the rest of the paragraph.

I would like to first point out some of the problems faced locally by the teamsters in their fight with the underworld since the middle of the year 1954.

The CHAIRMAN. Where is that? That is not on the first page, is it?

Mr. CROSBY. Yes, it is on the lower portion of the page, Senator.

The CHAIRMAN. All right.

Senator MUNDT. You are striking out a sentence there that appealed to me very greatly. You said:

It is my intention to try to comply in every way with the desires of the committee.

Are you striking that out?

Mr. CROSBY. I have already said it before, Senator, and I think that I duplicated that in the start.

Senator MUNDT. I was hoping you would leave that in.

Mr. CROSBY. I am sure that you will find me a willing witness, Senator.

The CHAIRMAN. You state here, or this you are leaving out, "realizing I am under oath, I wish to state that in a few short words," I just want you to realize you are under oath. Now proceed.

Mr. CROSBY. It is a well known fact that the teamsters have been active in politics in a desire to support candidates from a local, State, and Federal standpoint who have a liberal point of view to the extent of giving labor a fair deal.

The situation in which I am presently involved in my opinion, began after the primary elections in 1954. Prior to the primary, the teamsters as well as other segments of organized labor endorsed for the position of district attorney, the incumbent, John McCourt. During the period between the primaries and the general election in the fall, it came to my attention as well as other members of the teamsters union that Mr. McCourt's campaign, at least to some extent, was financially supported by James B. Elkins, head of the syndicate, and for this reason efforts were made on my part to confirm this.

The CHAIRMAN. Just one moment there. I do not want to interrupt much. I want to bear that date in mind, back in 1954. That came to your attention?

Mr. CROSBY. Yes, sir, after the primary.

The CHAIRMAN. All right.

Mr. CROSBY. I received what I believed to be sufficient information to constitute confirmation of this fact and, as a result, I took the lead in turning the support away from McCourt to his rival, William Langley.

When this activity on the part of the teamsters came to attention of the public generally, I received a visit in my office from James B.

Elkins at which time he endeavored to convince me that we should again make a change and return our support to Mr. McCourt.

I did not agree to his request and he appeared to be unhappy about it. During the last few weeks before the election, the teamsters by their own choice as far as I am concerned, conducted an all-out effort to win support for Mr. Langley.

At the general election in November of 1954, Mr. Langley was elected district attorney of Multnomah County. In the fall of 1954, the teamsters engaged in a campaign to organize the people employed in amusement business which included music machine routes and pinball game routes.

It is estimated by the teamsters that approximately 125 to 150 people were employed directly or indirectly in this business.

In the process of contacting employers and employees, I was made aware of the fact that Mr. Elkins was not only the owner and operator of a pinball route of substantial size, but in addition, his machines were located in the recreational part of a building that housed many labor organizations other than teamsters.

In the building known as the Portland Labor Temple. I use—
 Senator MUNDT. You mean other than teamsters, or in addition to teamsters? Were the teamsters in that building, too?

Mr. CROSBY. No, sir; the teamsters had their own building.

Senator MUNDT. Very good.

Mr. CROSBY. I used my influence to keep Mr. Elkins from entering the teamsters union because by that time I was aware of his activities in the underworld. I even made it known that I was incensed because Mr. Elkins could operate these machines in Portland Labor Temple and suggested they should be thrown out in the street.

Elkins made at least one attempt to go over my head to gain admittance to the teamsters.

Mr. Chairman, I strike out the word, "and following."

The CHAIRMAN. You strike out the words, "and he was not successful"?

Mr. CROSBY. No, sir; I just strike out the one word, "and." He was not successful. In the meantime, we began to make headway in organizing other members of this particular field. Two of the largest operators, Mr. Stan Terry and Mr. Lou Dunis, I feel made the strongest efforts to resist organizing their companies. One day early in the year of 1955, Mr. Stan Terry called on me and informed me that he had purchased the pinball route formerly owned by Jim Elkins.

At that time I was suspicious and did not believe him. I regarded this as an attempt on the part of Mr. Elkins to get into the teamsters union indirectly with Mr. Terry as a front man. Mr. Terry insisted vehemently that he had purchased Mr. Elkins' route and that it was his property only.

It was perhaps 6 weeks or 2 months before I began to believe that Mr. Terry was telling the truth. In March of 1955, the teamsters union accepted Mr. Terry and Mr. Dunis' people into the union and a labor agreement was formalized and signed.

Shortly thereafter, City Commissioner Stanley Earl, who had originally—and Mr. Chairman, I have been advised that I was incorrect in stating the year 1951 and I am correcting it to 1953 with your permission.

The CHAIRMAN. That permission is granted.

Mr. CROSBY. Who had originally, in 1953, offered and supported an ordinance to permit the licensing of pinball machines in Portland began a strong and strenuous attack upon the pinball industry in the city.

Even though I knew that pinball issue in the city of Portland was one of constant controversy, over a period of several years, I was also aware that the pinball industry enjoyed a legal status in the State of Oregon and if not a legal status in the city of Portland, at least a quasi-legal status inasmuch as the controversy was in the State courts and the United States Supreme Court and no effort was being made to keep these games from the public by the police department.

It is my wish to point out that I was quite surprised by the violent attack upon the pinball industry by Commissioner Stanley Earl, so soon after Mr. Elkins had disposed of his financial interest in that industry.

And in view of the fact that for such a long period of time prior, he had been friendly to employers in that industry. I called upon him as an official from the teamsters union which represented the employees working in the industry and asked him why he had undertaken such a strong change of mind about this problem.

He did not base his objections to this industry upon principle but instead explained that there was some individuals in the industry that he was going to get no matter what.

The CHAIRMAN. Why did you call upon him?

Mr. CROSBY. Senator, I called upon him to ask him why he had changed from someone friendly to the industry to one who was now advocating the elimination of the industry.

The CHAIRMAN. Go ahead. I did not want to interrupt you.

Mr. CROSBY. Never has it been my intention or desire to either criticize or vilify a city official who takes a position based on honest opinion, but I didn't feel this was the case with Commissioner Earl. I received numerous statements from people who knew the industry better than I, that Mr. Earl's attack was, in reality, the work of Mr. Elkins, who was determined to get rid of any pinball machines as long as he could not control them.

I informed Mr. Earl that I didn't believe his position to be a valid one, and that we felt the teamsters would support a different candidate when he came up for reelection.

The CHAIRMAN. Were you taking the position—I cannot help but ask this question—were you taking a position that the teamsters wanted the pinballs to run, and that they would support any candidate who would favor running them as against one who opposed their operation?

Mr. CROSBY. Not necessarily, Senator.

The CHAIRMAN. That is what you imply from this language. You were representing the teamsters?

Mr. CROSBY. Sir?

The CHAIRMAN. You were representing the teamsters and speaking for the teamsters, according to your statement.

Mr. CROSBY. Yes, sir, that is correct.

The CHAIRMAN. All right. Go ahead.

Senator MUNDT. Let us follow through on that a little bit, Mr. Crosby.

I informed Mr. Earl that I did not believe his position to be a valid one.

His position was that he wanted the pinballs closed up, is that correct?

Mr. CROSBY. His position had changed extremely fast, from a friendly advocate for the industry to one of advocating elimination; yes, sir.

Senator MUNDT. That is right. At the time that he came to you, his position was one of opposition to pinballs, maybe a recent position he had taken, but it was at that time his position, is that right?

Mr. CROSBY. Yes, sir, at the time described.

Senator MUNDT. You went to him?

Mr. CROSBY. Yes, sir.

Senator MUNDT. And you told him that you did not feel that his opposition to pinballs was a valid position, and that consequently you had to support a different candidate; is that correct?

Mr. CROSBY. That was substantially it, although I would like to say this, Senator, that Mr. Earl and I had had some brushes on other subjects relating to the entrance of organized labor which I will be happy to go into at time you want to take apart on this statement.

Senator MUNDT. Yes. Well, we may come to that.

The point I am trying to clarify in my own thinking here is that you have said that your reason for dropping your support of Mr. Earl, and giving your support to a different candidate was that as international representative of the teamsters union, you wanted the pinballs to operate, and he wanted them to close, so you had to support somebody who would permit their operation. That is what it adds up to at this point. You may have another reason, but that is a factor. Am I right?

Mr. CROSBY. To the extent that you have described it, although there is more to it.

Senator MUNDT. Yes. I do not know what else there is, but there is that part.

All right.

Mr. CROSBY. From that time on, Mr. Earl has engaged in many attacks on the teamsters union in an effort to discredit its leadership. During this same general period of time, I considered myself fortunate to enjoy a cordial and friendly relationship with the mayor's office.

In July of 1954, I was appointed by Mayor Peterson as a member of the exposition and recreation commission, 1 of 5 members empowered to build a multipurpose sports facility and to operate the same. This appointment also required the commission to select the site, purchase the land, and supervise the construction.

In 1955, around the middle of the year, it became evident to me that some elements of organized labor were extremely unhappy with Mayor Peterson's administration.

Out of a feeling for friendship for Mayor Peterson, I endeavored to determine the cause of this trouble. In a discussion with Mr. Russ Conger, a Portland police detective and an official of the policemen's union, I was informed that he hoped the teamsters were not going to support Mayor Peterson for reelection. He also stated that a great many members of the Portland police department would be quietly working to insure Mayor Peterson's defeat. Upon inquiry from Mr. Conger—from me, rather—Mr. Conger gave as his reasons for this expected activity the fact that Chief of Police Jim Purcell, Jr., was completely unresponsive to the legitimate complaints of the Portland

Policeman's Union. He also stated that the contract covering the purchase of uniforms for the personnel of the police department had been changed from an eastern supplier to a local firm; and, as a result, the cost for the uniforms remained the same but the quality had deteriorated considerably, necessitating greater expense to the personnel.

The implication was that there was something irregular about this transaction. I asked Mr. Conger why he didn't talk to the mayor, and he stated that it was not proper for him to go over his chief's head. I told Mr. Conger that I would bring this matter to the attention of Mayor Peterson, which I did in a matter of 2 or 3 days.

I called upon the mayor and pointed out what I felt was a bad situation, and might cost him support in the coming election. He indicated that he had confidence in his chief of police, Mr. Purcell, but he also stated that he would be happy to talk to Mr. Conger.

Some time later I met Mr. Conger again, and I asked him if things had improved any. He stated that he had talked to the mayor, but that in his opinion it hadn't changed anything in the slightest. Concurrently I was experiencing some difficulty as a member of the exposition and recreation commission. Five members of this commission were having difficulty in their efforts to come to an agreement as to the location for his multipurpose sports facility.

In private discussions with Mayor Peterson, he indicated that he favored the same central type of location that I did, but his views as reflected in a public way were something different. I regarded this peculiar thinking as an act of political expediency, but I was not exactly pleased about it.

Several times during this period of time, Mr. Elkins mentioned an increasing interest in the teamsters political activity, and it became apparent to me that by one way or another it was his intention to try to control the policy of the teamsters.

Although I knew something of Mr. Elkins' background, by that time, I did not know that his influence within the city was as widespread as it turned out to be.

In addition to his desire to tell us who he wanted us to support for election to various offices, he also proposed using teamster economic strength through picket lines to shake down taverns and cocktail lounges.

I dismissed his ideas and him personally from the Teamster Building and considered his desires to be those of a crackpot.

One day while driving in the city I had occasion to accidentally see Mr. Elkins and Chief of Police Jim Purcell, sitting in an automobile on Southwest First Avenue in the vicinity of Morrison Street. In order to verify what I had seen in a passing moment, I circled the block, drove by the automobile again, and confirmed the identity of the two individuals. This, together with the other situation described, prompted me to call on the mayor again, at which time I complained about the apparent freedom that Mr. Elkins had in his efforts to intimidate people. I also cited that it seemed to me that he had too much influence with the police department.

I complained to Mayor Peterson about these things, and even suggested a new chief of police might better control Mr. Elkins' activities.

Mayor Peterson informed me that he didn't even know Mr. Elkins, and that he didn't intend to let anyone tell him how to run the city.

When Mayor Peterson disclaimed any knowledge of the identity of Mr. Elkins, a man who had controlled vice generally in the city of Portland for many years, I began to think of and believe some of the disquieting reports that Mr. Elkins had some influence with Mayor Peterson.

Taxicab drivers in the city of Portland were subjected to intimidation by members of the Portland police and vice squad, and were told that when delivering customers to houses of prostitution, gambling dens, or other illegal liquor joints, if they wished to continue to drive a cab in the city they must take their prospective customers to these establishments controlled by Elkins and on his approved list.

It was common knowledge that any of these types of houses that tried to operate without paying tribute to Mr. Elkins never functioned very long before being raided by the police department.

At the same time, Mr. Elkins' establishments operated regularly, with the exception of occasional raids, of which Mr. Elkins had prior knowledge and, therefore, was able to salvage expensive equipment. Someone representing Mr. Elkins would pay a nominal fine, which made good statistics in the vice-enforcement record for the city.

Instances where cabdrivers have lost their licenses to drive and also have been beaten up when they attempted to defy the orders of Elkins are a matter of record in the taxicab drivers union in Portland, and can be verified by Lou Lampert, who formerly was manager for the Radio Cab Co. in Portland, Oreg.

I began to receive veiled threats from Mr. Elkins that I had better cooperate with his wishes, or things would not go well with me. I was beginning to become incensed by the situation, and I took steps in my own organization to change the political thinking about Mayor Peterson's administration. It became generally known that in the city, that the teamsters would support a candidate other than Mayor Peterson, and then the pressure was really on.

A number of times while I was out of the city on business, my wife and children were subjected to various types of phony telephone calls, instances where no one would answer, and other times when someone, unidentified, would make unintelligible remarks, that caused my wife to become concerned.

On two occasions, while sleeping in a hotel room many miles away from home, I received telephone calls from my wife, who was terrified because someone was stamping on the porch, rattling the doors, or prowling around the house.

Because of these things, I purchased a gun and left it at home. I instructed my wife that if these things continued to occur, she should point the gun out the window, up in the air, and fire once or twice on the assumption that this would be sufficient to scare anyone away.

Purchase of the gun served as the basis for one of the indictments presently existing in Portland. I didn't try to keep the information secret that I had purchased a gun. As a matter of fact, I made it generally known, for I wanted Mr. Elkins to know about it, and I promptly applied for a permit at the sheriff's office in the event I felt it would be necessary to protect myself from attack from any of Mr. Elkins' strong-arm squad.

When Mr. Terry Schrunk announced his candidacy for mayor, the teamsters enthusiastically supported him for election, as did all other labor, I would like to add as an afterthought. I made it known to

Mr. Schrunk that the teamsters desired only one thing from him if he was successful and that was that we hoped that under his administration he would end Mr. Elkins' stranglehold on the city.

The results since the election of Mayor Schrunk's administration have proved conclusively to the teamster organization that Mr. Elkins' empire is fast tumbling due to a far greater and higher degree of law enforcement.

However, prior to the election, and in the hopes of maintaining Mayor Peterson, James Elkins quietly prepared a campaign to make crooks and racketeers out of the teamster officials, thereby hoping to completely discredit our organization and to insure the continuation of the administration in office at that time, knowing full well that if he was successful it would also insure his continued prosperity.

I began to get reports that teamster organizations in Oregon were under intensive investigation, and many rumors came to me that Clyde Crosby was going to "get his."

Mr. Elkins and his friends, both in and out of public office, acquired the knowledge that 26 years ago, at the age of 15, I had been sentenced to prison in Arizona and served a term of 13 months. This provided his organization with an excellent device for blackmail, and I was invited to make a choice: Either change the teamsters support back to Mayor Peterson and become a tool of Elkins' organization, or I would be faced with some real trouble. I have it.

Mr. Elkins' influence has extended into many facets of public life. There are many reports that he can control some members of the judges' bench, in circuit courts as well as in at least one instance the State supreme court. Also, there are reports that he had considerable influence with some members of the press, as well as practically having the run of the city from the standpoint of the police department, through his unusual friendship with Chief of Police Purcell.

His close association with Commissioner Earl has resulted in his enjoying at least some influence with some members of the press in Portland.

As an illustration, there is in Portland a club known as the Bourbon and Ham Club, of which a goodly number of newspaper people are members. For these functions, Commissioner Earl furnishes plenty of liquor and food free of charge to the members of his club. In addition, suitable insignia pins were made available for the members to wear if they so desire.

Reliable reports strongly indicate that the cost of underwriting this type of thing was borne by Mr. Dan Tomes and Mr. James B. Elkins.

Senator MUNDT. Mr. Tomes, that is a new name. Will you tell us who he is?

Mr. CROSBY. I believe he is the present operating manager or owner of the Western Club in the city of Portland.

Senator MUNDT. Is he a partner or business associate of Mr. Elkins?

Mr. CROSBY. I can only go on what I have received by way of reports. I am told that he is close to Mr. Elkins, and that there is even some report that they have a joint financial interest. I don't feel qualified to state that as a fact.

Two of the people whom I believe to be quite prominent in this club, and the press club, are William Lambert and Wallace Turner, who, jointly along with Mr. Elkins, are my chief accusers.

When it became apparent to James Elkins that his attempts to blackmail and intimidate the teamsters was a failure, in April of 1956, just prior to the primary elections, a vicious attack spearheaded by the Oregonian Publishing Co. was launched against the teamsters. Every conceivable effort has been made by this newspaper to convict me and the teamsters generally in the eyes of the public of being the true rulers of the underworld and vice generally, including gambling, operation of afterhours liquor establishments, prostitution, and so forth.

The motive of this attack was primarily political, but after it was started, it became something that neither the teamsters could cope with nor the Oregonian completely control.

I requested that Governor Smith assign the attorney general to come into Portland for the purpose of conducting a complete and unbiased investigation, which assignment was made.

I freely gave testimony before the Multnomah County grand jury, in an effort to be of assistance, and a great many other people were interrogated as a result of this investigation.

(At this point, Senator Ives withdrew from the hearing room.)

Mr. CROSBY. During the course of this investigation, it became apparent to me that a great deal of background maneuvering was going on, and when the investigation was concluded, and I was indicted on four separate counts.

I have stricken out about five words there, Senator.

Senator MUNDT. At this point in the record, will you indicate what those four counts were?

Mr. CROSBY. Yes, sir; I think I can substantially tell you. One is a conspiracy to be in some sort of a land deal with Jim Elkins, relating to a site for the exposition and recreation commission.

One is an illegal gun charge having to do with the fact that I did have a gun, and relating back to the Arizona incident when I was 15 years old.

The other two indictments were picket-line cases, where some unusual—let me say this: The two cases, one of them involves extortion, attempting to extort, a pecuniary advantage—whatever that is, I don't know—and the other one is—very frankly, Senator, I have lost it—

Senator MUNDT. Was one of the picket-line cases—

Mr. CROSBY. The other one is the Deacon Tavern case, whereby we were involved in a dispute with the American Shuffleboard Co.

Senator MUNDT. Was one of them in connection with the Mount Hood Cafe?

Mr. CROSBY. I think that is true, sir; yes, sir.

One example of the Oregonian's inability to completely control the course of the investigation became evident when the individual they sought to protect, namely, Mr. James Elkins, was also indicted on something like 15 different counts. This brought about a situation, in my opinion, whereby the Oregonian viciously opposed the reelection of Attorney General Thornton who conducted this investigation.

Although these indictments were returned last August 1956, at least in my case, none has been brought to trial as yet. The Oregonian recog-

nized and describes Mr. Elkins as merely a night-club bankroller and fringe operator, while his record with the Federal Bureau of Investigation indicates a much more sinister background.

In addition to the indictments Mr. Elkins faces on a State level, he has been indicted on nine separate counts of violation of Federal law dealing with illegal wiretapping. One of his greatest mediums for blackmail is this particular field of wiretap.

It is not merely the intercepting and divulging of telephone conversations that he indulges in, but he also has quite a flair for editing and taking out of context conversations that he inserts for the purpose of completely changing the meaning of the conversation to make it appear incriminating against his proposed victim.

It is my firm conviction that this type of activity, together with his ability to persuade people to perjure themselves, and his own perjured testimony, constituted the evidence that resulted in the returning of the existing indictments against me by the Multnomah County grand jury.

It is my complete and honest opinion that an extremely unusual relationship exists between Mr. Elkins and the two Oregonian reporters, Mr. Turner and Mr. Lambert. Even at this time it is obvious to me that they are working very closely together in an effort to make the teamsters appear as the racketeers and to hide the nefarious activities of Mr. Elkins, or at least to minimize them to a degree of no consequence.

I have requested permission to tell this story prior to entering into thorough interrogation by your honorable committee because I feel that it is the only way I can make my side of the story known to you.

I sincerely hope—and I have struck out a very large paragraph, and I am starting down with the last paragraph, Senator.

The CHAIRMAN. Is that on the last page?

Mr. CROSBY. Yes, sir.

The CHAIRMAN. All right. Go ahead.

Mr. CROSBY. I sincerely hope that this statement to this committee will serve to bring about a complete and extensive—or, rather, intensive—impartial investigation of the vice conditions as they really existed in the city of Portland.

The CHAIRMAN. All right, sir.

Mr. Counsel, you may proceed.

(Members present at this point: The chairman and Senators McNamara, Mundt, and Goldwater.)

Senator KENNEDY. Mr. Crosby—

Mr. CROSBY. Mr. Kennedy, may I make one very small statement, just a short statement?

Mr. Chairman, may I have permission to make one short statement?

Mr. KENNEDY. Do you have another statement?

Mr. CROSBY. No, sir; just verbally.

Mr. KENNEDY. Go ahead.

Mr. CROSBY. I just want to say that for several days I have listened to charges by Mr. Elkins that I participated in a land-fraud scheme as a partner with him. I want to go on record as denying that. I had no such scheme. I was not a part of it. I am prepared to state the case as frankly and as clearly as I can in an effort to establish that.

Mr. KENNEDY. Perhaps before we start, you could give us a little bit of your background, Mr. Crosby.

You were born where?

Mr. CROSBY. I was born in Berkeley, Calif., July 4, 1915.

Mr. KENNEDY. And you lived there how long?

Mr. CROSBY. I lived there until I was 2 years old, at which time my parents moved to Denver, Colo.

Mr. KENNEDY. And you stayed there how long?

Mr. CROSBY. I stayed there until approximately 1932, and the Arizona incident is involved in that interval.

Mr. KENNEDY. Did you have any other trouble with the law during that period of time?

Mr. CROSBY. Yes; I did. I was sent to the State industrial school for boys, I think, when I was 12 years old.

Mr. KENNEDY. And this later incident occurred when you were 15; is that right?

Mr. CROSBY. The later incident occurred when I was 15; yes, sir.

Mr. KENNEDY. Then you moved from Colorado in 1932?

Mr. CROSBY. Allowing for the—

Mr. KENNEDY. Roughly.

Mr. CROSBY. Roughly, that is correct.

Mr. KENNEDY. Where did you move to then?

Mr. CROSBY. I moved back to Oregon, the place of my parents' original home, where they were married, and we settled in Oregon City. I was in the CCC camp for the constitutional limit of 18 months. I went to work in a paper mill in 1935, at West Linn, Oreg., Crown Zellerbach Corp.

I developed a lung condition at that place of employment due to the sulfuric acid floating around in the air when they blow off these big digester pots.

Mr. KENNEDY. How long did you stay there?

Mr. CROSBY. How long did I work there?

Mr. KENNEDY. Yes.

Mr. CROSBY. It was seasonal work. I worked there from 1935 until 1938, I think.

Mr. KENNEDY. When did you first join the teamsters union?

Mr. CROSBY. I joined the teamsters union in, I believe, September of 1941.

Mr. KENNEDY. And when did you become an officer of the teamsters union?

Mr. CROSBY. I became an officer in July of 1950, if you would describe a dock checker as an officer. That was the first full-time work that I was employed at for the teamsters union.

Mr. KENNEDY. When you were with the teamsters, you were always in the State of Oregon; were you?

Mr. CROSBY. Do you mean my work kept me in the State?

Mr. KENNEDY. Yes.

Mr. CROSBY. No. I was working—

Mr. KENNEDY. Your headquarters were in the State of Oregon?

Mr. CROSBY. I was assigned, basically, headquartered at Portland. But I did a great deal of traveling in the interest of the Western Conference of Teamsters.

Mr. KENNEDY. You say in 1950 or 1951 you were a dock checker; is that right?

Mr. CROSBY. In 1950 I went to work—

Mr. KENNEDY. What was your next position in the teamsters?

Mr. CROSBY. In the fall of 1953 it became generally known that Mr. Jack Schlaht was going to go into private enterprise, into business for himself, and was going to resign.

Mr. KENNEDY. Will you just answer the questions, and then you can give any explanation you want. Just give me the date. When did you next go in and what was the position?

Mr. CROSBY. My position became secretary-treasurer of Local Teamsters Union 162, and I took office, I believe, in January 1953.

Mr. KENNEDY. What was your next position?

Mr. CROSBY. International organizer, and I assumed that work October 1, 1954.

Mr. KENNEDY. That is when John Sweeney went up to Seattle; is that right?

Mr. CROSBY. That is correct, sir.

Mr. KENNEDY. Do you know Frank Brewster?

Mr. CROSBY. Very well.

Mr. KENNEDY. How long have you known him?

Mr. CROSBY. Since 1950.

Mr. KENNEDY. Do you know Mr. Dave Beck?

Mr. CROSBY. Yes, sir.

Mr. KENNEDY. How long have you known him?

Mr. CROSBY. It is difficult to say how long I have known him personally.

Mr. KENNEDY. Roughly, how long have you known him?

Mr. CROSBY. Probably since 1953.

Mr. KENNEDY. As I understood your statement, you said that although you were appointed to your position as international organizer by Dave Beck, that actually Frank Brewster was responsible for that appointment; is that right?

Mr. CROSBY. I didn't say that, Senator—Mr. Kennedy. I said that I believe he recommended me for that position.

(The witness conferred with his counsel.)

Mr. KENNEDY. You are still in that position; is that right?

Mr. CROSBY. Yes, sir. I just wanted to say that you left out the one thing that I think is helpful to me, and that is 3½ years of service in the United States Navy.

Mr. KENNEDY. You also talked about your wife earlier. How many times have you been married, Mr. Crosby?

Mr. CROSBY. I have been married five times.

Mr. KENNEDY. In your statement, Mr. Crosby, you were talking about the fact that you learned between the primary election and the final election in 1954 that Mr. James Elkins was a real underworld character; is that right?

Mr. CROSBY. Well, I don't know whether that is the exact description. I want to keep my own quotes as nearly accurate as possible. I certainly became aware that there was something unusual about the man, and that he had interests other than legitimate interests.

Senator MUNDT. Mr. Chairman, while we are following this line of questioning that Mr. Kennedy has brought up about Mr. Crosby's relationships with some of the people who have been before our committee, I would like to ask him a couple of questions.

Do you know Mr. Tom Maloney?

Mr. CROSBY. Yes, sir.

Senator MUNDT. How long have you known him?

Mr. CROSBY. I believe it was some time after the middle of the year of 1954; possibly August or September.

Senator MUNDT. Do you know Mr. McLaughlin?

Mr. CROSBY. Yes, sir.

Senator MUNDT. How long have you known him?

Mr. CROSBY. I believe that I met him in 1955, and I was introduced to him by Tom Maloney.

Senator MUNDT. In what capacity have you known Tom Maloney?

Mr. CROSBY. Senator, Tom Maloney is a fabulous character who has all sorts of capacities. The direct answer to your question was that he just pure and simple came in and sold me a bill of goods.

Senator MUNDT. Do you know Mr. Frank Malloy?

Mr. CROSBY. Yes, sir.

Senator MUNDT. How long have you known him?

Mr. CROSBY. Since 1950, I believe.

Senator MUNDT. In what capacity?

Mr. CROSBY. Well, Mr. Frank Malloy at one time—

Senator MUNDT. Let us say at the present time. You know him as business agent?

Mr. CROSBY. I know him now as business agent for Local 223, Miscellaneous Drivers; yes, sir.

Senator MUNDT. You are his superior officer, are you not, in the teamsters' union?

Mr. CROSBY. I do not think that I rate that distinction, Senator. An international organizer is not superior to the extent that he walks around issuing orders to everyone.

Senator MUNDT. However, this is a union which is in the hands of your receivership?

Mr. CROSBY. Yes; but Mr. Hildreth is the receiver, not me.

Senator MUNDT. But the international union is in control of Mr. Hildreth; not Mr. Hildreth.

Mr. CROSBY. May I hear that again, sir?

Senator MUNDT. Yes.

I said the international union is in control of Mr. Hildreth's decisions; he is not in control of his own.

Mr. CROSBY. I think Mr. Hildreth has a responsibility to the international as a trustee; yes, sir.

Senator MUNDT. To carry out the international policies, programs; is that right?

Mr. CROSBY. Yes, sir. Basically to rehabilitate the local union.

Senator MUNDT. You represented in the State of Oregon, you said, the teamsters international?

Mr. CROSBY. Yes; that is correct.

Senator MUNDT. So you were in charge of Mr. Hildreth, and you were in charge of Mr. Malloy?

Mr. CROSBY. The only thing that I am trying to straighten out, Senator, is I don't want to leave the impression that I was in charge of anyone. The only possible way I could be in charge of someone would be if some action under the constitution was taken by the general office, and I received instructions to carry them out.

Senator MUNDT. Did you have anything to do with the appointment of Mr. Malloy in his present position?

Mr. CROSBY. No, sir; I did not.

Senator MUNDT. Will you tell us how he did get that present position?

Mr. CROSBY. I believe he was appointed by John Sweeney.

Senator MUNDT. At the time John Sweeney was secretary, following you, or preceding you?

Mr. CROSBY. At the time John Sweeney was the international organizer in Oregon; yes, sir.

Mr. KENNEDY. I was asking you about between the primary election in 1954 and the general election in 1954. You state in your statement that you knew the type of character that Jim Elkins was; is that correct?

Mr. CROSBY. Well, I think I was beginning to get the idea. In fact, when I first—

Mr. KENNEDY. Could you just answer the question, Mr. Crosby?

Mr. CROSBY. I don't see how I can answer it that way. It sounds like a loaded question, sir.

Mr. KENNEDY. No; I am taking it from your statement. After the primary elections in 1954—

During the period between the primaries and the general election in the fall, it came to my attention, as well as other members of the teamsters' union, that Mr. McCort's campaign, at least to some extent, was financially supported by Mr. James B. Elkins, head of the syndicate, and for this reason, efforts were made on my part to confirm this.

And then you went ahead to confirm it, and you stayed away from Mr. McCort because of that.

Mr. CROSBY. That is correct.

Mr. KENNEDY. Therefore, you say he was head of the syndicate.

Mr. CROSBY. I found he was in something other than legitimate business.

Mr. KENNEDY. Did you ever see him socially after that, after 1954? When you found that he was head of the syndicate, I imagine—

Mr. CROSBY. I might have.

Mr. KENNEDY. Wait a moment. I imagine you wanted to stay away from him. Did you ever see him socially?

Mr. CROSBY. I might have, sir. I don't want you to put words in my mouth.

Mr. KENNEDY. I am not. I am just asking.

Mr. CROSBY. The part about you imagine I wanted to stay away from him. I had no fear of Mr. Elkins or anyone else. Many people who might be regarded with suspect are people that I could very well speak to.

Mr. KENNEDY. I am not suggesting that you were afraid. Did you ever see him socially? For instance, did you go to lunch with him?

Mr. CROSBY. I think I had lunch with him one time.

Mr. KENNEDY. Do you think you might have had lunch with him more than once?

Mr. CROSBY. Frankly, I doubt it.

Mr. KENNEDY. You don't think so? You had lunch once with him after January 1955? Let's take that date. Or we can go back.

No, let's take January 1955. Did you ever have lunch with him after January 1955? I think this is pretty important, Mr. Crosby, because you were pretty alert back in 1954, and you found out what type of person Elkins was, so, according to your statement here, every action

that you took after that time was to try to keep away from Mr. Elkins, to try to keep him out of the union.

Mr. CROSBY. No, I can't say that I particularly tried to keep away from him.

Mr. KENNEDY. You took certain actions so that you wouldn't get too close?

Mr. CROSBY. I took certain actions detrimental to his interests; yes.

Mr. KENNEDY. Did you have lunch with him just once?

Mr. CROSBY. I am not sure, Mr. Kennedy.

Mr. KENNEDY. Could you have had lunch with him three times?

Mr. CROSBY. I can't answer the question because I don't know.

Mr. KENNEDY. What about 10 times? Would you have had lunch with him 10 times?

Mr. CROSBY. I am sure that did not happen.

Mr. KENNEDY. Can you testify that you did not have lunch with him 10 times? It is your statement. I didn't make it.

Mr. CROSBY. I know. I am just trying to anticipate going 9, 8, 7, 6, 5, 4, but I did not have lunch with him 10 times.

Mr. KENNEDY. But you think you had lunch more than five times with him?

Mr. CROSBY. I don't believe so, sir.

Mr. KENNEDY. You never had dinner with him, did you?

Mr. CROSBY. Not to my knowledge.

Mr. KENNEDY. You never went out to dinner with him?

Mr. CROSBY. I believe I had dinner with Mr. Sweeney one time and Mr. Elkins walked up and sat down and had a drink.

Mr. KENNEDY. But you never went out to dinner with him?

Mr. CROSBY. No, I did not.

Mr. KENNEDY. You never went to any club with him?

Mr. CROSBY. Went with him?

Mr. KENNEDY. Well, or met him there?

Mr. CROSBY. That is two different questions, Mr. Kennedy.

Mr. KENNEDY. Did you ever meet Mr. Elkins for dinner?

How is that?

Mr. CROSBY. I can't recall any such incidents.

Mr. KENNEDY. Well, would you deny it, if you didn't, then?

Mr. CROSBY. To the extent that I have. I cannot recall.

Mr. KENNEDY. You never went to Amato's Supper Club with Elkins and John Sweeney?

Mr. CROSBY. I was in Amato's Supper Club with Mr. Sweeney when Mr. Elkins walked up to the table.

Mr. KENNEDY. Did you ever have lunch with Mr. Crosby at the Prime Ribs?

Mr. CROSBY. With who?

Mr. KENNEDY. With Mr. Elkins, at the Prime Ribs? That is a restaurant out there.

Mr. CROSBY. I believe I did once; yes.

Mr. KENNEDY. Could you think again and think if possibly you had lunch with him 2 or 3 times there?

Mr. CROSBY. Well, very frankly, I had lunch with so many people.

Mr. KENNEDY. I know that, but here was an underworld character, head of the syndicate. I am just trying to establish your relationship with him. You have made the statement about him.

Mr. CROSBY. I am trying to avoid you establishing the relationship that I was any crusader set out on a white charger to fight him. I just ignored him. Or I might have talked to him on a completely different matter, or something.

Mr. KENNEDY. That is all right. I am not saying there is anything wrong in having lunch with him. I am just asking you.

Do you think you might have had lunch at the Prime Ribs 2 or 3 times with him?

Mr. CROSBY. I don't believe I had lunch with him 2 or 3 times at the Prime Ribs.

Mr. KENNEDY. But you remember going to Amato's and meeting him there?

Mr. CROSBY. I don't remember meeting him there. I didn't go there to meet him. I went to dinner there with John Sweeney.

Mr. KENNEDY. Was he there?

Mr. CROSBY. No. He came up to the table after we were seated.

Mr. KENNEDY. Did you have lunch with him at Bart's place?

I am trying to refresh your recollection, Mr. Crosby.

Mr. CROSBY. I realize that.

Frankly, I cannot recall.

Mr. KENNEDY. Do you think that is possible, Bart's place?

Mr. CROSBY. I just don't recall it.

Mr. KENNEDY. You can't remember that? Certainly the head of the syndicate, you never had him to your home, did you?

Mr. CROSBY. Mr. Elkins invited himself to my home.

Mr. KENNEDY. He came to your home?

Mr. CROSBY. Yes.

Mr. KENNEDY. How many times did he come to your home?

Mr. CROSBY. He came on two occasions, I think.

Mr. KENNEDY. Just to visit?

Mr. CROSBY. One time he came—and you are opening up an entirely different area of interrogation. If that is what you want, it is all right with me.

Mr. KENNEDY. Did he come to your home a couple of times?

Mr. CROSBY. Yes. Once to extort \$10,000, and another time ostensibly as someone trying to be friendly.

Mr. KENNEDY. He came to extort \$10,000?

Mr. CROSBY. He tried his best.

Mr. KENNEDY. He wanted that for the tapes, did he?

Mr. CROSBY. He would have been very happy to have had it for the tapes.

Mr. KENNEDY. He asked for \$10,000 from you?

Mr. CROSBY. He indicated that he paid somebody \$10,000 to burglarize them out of an office, and that they were incriminating against several teamsters.

Mr. KENNEDY. Did he play them for you?

Mr. CROSBY. Yes, he did.

Mr. KENNEDY. Was your voice on them?

Mr. CROSBY. He says my voice is in one——

Mr. KENNEDY. What sort of things were you alleged to have said on the tapes?

Mr. CROSBY. I was not alleged to have said anything.

Mr. KENNEDY. If your voice was on the tapes, what did you say on them? What did your voice say on the tapes? What sort of things were you saying?

Mr. CROSBY. Don't rush me, Mr. Kennedy. You are asking me to remember something that I am trying my best to comply with.

Mr. KENNEDY. O. K.

Mr. CROSBY. As I recall, I think there was only one instance, where he states, and I certainly couldn't corroborate it, that my voice was on the tapes.

Mr. KENNEDY. What did it say? What did the voice say?

Mr. CROSBY. It was some sort of a telephone conversation from Tom Maloney.

Mr. KENNEDY. And what did Tom say? What was the gist of the conversation?

Mr. CROSBY. The gist of the conversation was to the extent that Tom was alleged to have said to me,

Say, I understand you are going in to see the mayor. For heaven's sake, hold off, will you?

Or something similar to that.

Mr. KENNEDY. For what reason did he want you to hold off?

Mr. CROSBY. He didn't explain.

Mr. KENNEDY. It was nothing about the fact that he was going to get some money from Elkins or anything?

Mr. CROSBY. I don't doubt but what he might have got money from Elkins.

Mr. KENNEDY. Was that the tape that he played for you?

Mr. CROSBY. That he got money from Elkins?

Mr. KENNEDY. No, that he wanted you to hold off until he could get the money from some of these joints that were open?

Mr. CROSBY. No, sir, I recall no such text.

Mr. KENNEDY. Did you ever hear the tapes again?

Mr. CROSBY. I am confused about tapes to this extent: I no longer can recall what I have heard as it pertains to what I have read.

Mr. KENNEDY. I am not asking you that. I am just asking you if you heard the tapes again?

Mr. CROSBY. Yes, I have heard tapes.

Mr. KENNEDY. Did you hear the tapes that were alleged to contain your voice or the voices of Tom Maloney and Joe McLaughlin?

Mr. CROSBY. Yes, I did.

Mr. KENNEDY. Under what circumstances did you hear those?

Mr. CROSBY. Is it all right to smoke, Mr. Chairman?

The CHAIRMAN. Yes.

Mr. CROSBY. What was your question?

Mr. KENNEDY. Read it back, please.

(The reporter read from his notes as requested.)

Mr. CROSBY. It had to do with the raid on Mr. Clark's house.

Mr. KENNEDY. That is Mr. Ray Clark?

Mr. CROSBY. Mr. Ray "Dopehead" Clark; yes, sir.

Those tapes, or at least a copy of them, were in the possession of Mr. Brad Williams.

Mr. KENNEDY. How did he tell you he had gotten them?

Mr. CROSBY. He didn't tell me how he got them.

Mr. KENNEDY. You didn't ask?

Mr. CROSBY. I didn't ask. All I knew was that I was fighting a losing battle trying to keep myself even with the board in proportion to the amount of accusations that were flowing around, and I was trying my best to find out any and all information that might have something to do with the case I was involved in or accused of being involved in.

Mr. KENNEDY. I am not finding any fault, Mr. Crosby. I am just asking a question.

Mr. CROSBY. I am just trying to properly——

Mr. KENNEDY. You don't have——

Mr. CROSBY. What is the question?

Mr. KENNEDY. I am just trying to find out under what circumstances the tapes were played.

Mr. CROSBY. I heard that the tapes were going to be played for the State police out at Mr. Williams' home.

Mr. KENNEDY. Who did you hear that from?

Mr. CROSBY. I don't recall.

Mr. KENNEDY. You cannot recall that either?

Mr. CROSBY. No; I can't, sir.

Mr. KENNEDY. You can't remember that?

Mr. CROSBY. Well, I am sure I didn't get it from Mr. Wally Turner or Bill Lambert but I don't know where I got it.

Mr. KENNEDY. You cannot remember that?

Mr. CROSBY. No, sir.

Mr. KENNEDY. Did you get it from Brad Williams?

Mr. CROSBY. No, sir; I don't believe I did.

Mr. KENNEDY. Did you get it from Mayor Schrunk?

Mr. CROSBY. That I am sure I didn't.

Mr. KENNEDY. You can't remember who it was?

Mr. CROSBY. No; I can't. I simply——

Mr. KENNEDY. But you were invited out there, were you, to hear them?

Mr. CROSBY. No; I wasn't invited.

Mr. KENNEDY. What happened?

Mr. CROSBY. It created quite a stir.

Mr. KENNEDY. Did someone call you up and say, "We have the tape"?

Mr. CROSBY. No; I think someone in the building indicated that the tapes were going to be played out at Mr. Williams' home, or something of that nature.

Mr. KENNEDY. Somebody in what building?

Mr. CROSBY. In the Teamsters Building. I did something that I don't ordinarily do. I practically invited myself into his home, brazen-like, with no invitation from him, in an effort to find out what was in those tapes that was so secret, that Mr. Clark was hiding.

I brought a wire recorder with me, and I took a wire recording copy of the tapes. Many references were made in the tapes to Clyde Crosby by other people.

I could recognize nothing to indicate that there was a conversation of mine in the tapes. That is about it, I guess.

Mr. KENNEDY. What did you do then with your copies of the tapes?

Mr. CROSBY. I still have them.

Mr. KENNEDY. Would you turn them over to the committee?

Mr. CROSBY. Certainly, if you will let me go home.

Mr. KENNEDY. Can you send for them?

Mr. CROSBY. I don't believe I could find them that easily. I recorded them on wire, and they are somewhere in the house. Frankly, I don't know just where.

Mr. KENNEDY. Nobody could find those tapes? You could not describe where they are, and have somebody send them?

Mr. CROSBY. No, I can't. I can't tell you exactly where they are. They are in a drawer somewhere. I think I can find them without any question.

Mr. KENNEDY. You what?

Mr. CROSBY. I could find them without any question.

Mr. KENNEDY. Could you not describe to somebody at home where they are and have them turned over to us? We could all play them and listen to them.

Mr. CROSBY. Mr. Kennedy, I have no objection to everyone in the room hearing the tapes.

Mr. KENNEDY. Would you make arrangements to have them provided?

Mr. CROSBY. I don't believe that is possible. I don't want to make a commitment to this committee that I might not be able to keep.

Mr. KENNEDY. Where are the tapes now? Tell us—

Mr. CROSBY. I don't know. They are in the house someplace.

Mr. KENNEDY. You don't know where you put them?

Mr. CROSBY. I put them away so long ago that I am not sure where I put them.

Mr. KENNEDY. You have forgotten where you put the tapes?

Mr. CROSBY. Well, that is it, yes, sir. I know that they are there. We are not talking about tapes in this instance. We are talking about wire spools.

Mr. KENNEDY. And they are copied from the tapes, is that right?

Mr. CROSBY. Yes, sir.

Senator MUNDT. About how long, in terms of minutes, would your tapes run, when you would get them and play them?

Mr. CROSBY. Frankly, I don't know whether I could answer that intelligently or not, Senator.

Senator MUNDT. You have some idea, surely.

Mr. CROSBY. I think there were 3 or 4 hours, and maybe not that much.

Senator MUNDT. Three or four hours?

Mr. CROSBY. The total amount, yes.

Senator MUNDT. Let me see if I can reconstruct the picture. There was a meeting in the home of Mr. Brad Williams, who was there with some members of the Oregon State police force. You had heard that they were there for the purpose of hearing the tapes, and you invited yourself out by going up to his house, and either pushing your way in, or knocking on the door and saying, "You are having these tapes, and I want to hear them, and I want a recording of them," is that right?

Mr. CROSBY. That is putting it brutally, sir.

Senator MUNDT. That is about the way you have to do it. I am not saying you broke in the house, but you said, "Here I am. You are supposed to have tapes covering my voice, and I want to hear them and I want a recording of them"?

Mr. CROSBY. I cannot deny that.

Senator MUNDT. In the room at that time was Mr. Brad Williams?

Mr. CROSBY. Yes, sir.

Senator MUNDT. And Mr. Clyde Crosby?

Mr. CROSBY. Yes, sir.

Senator MUNDT. And who else?

Mr. CROSBY. There was a State policeman by—I am not sure what his name is. It seems to me, as I recall, that it was Church or something similar to that. I might be incorrect, Senator.

There was another member of the Journal.

Senator MUNDT. What was his name?

Mr. CROSBY. I am not trying to withhold information, but for the life of me I can't think of it.

Senator MUNDT. The other was a reporter?

Mr. CROSBY. He was a reporter.

Senator MUNDT. That makes five. Was there anybody else?

Mr. CROSBY. My wife was with me.

Senator MUNDT. That is six. Anybody else?

Mr. CROSBY. As best as I can recall, I think that was probably the substance of the amount of people in the building, or in the house, with the exception, of course, of Mrs. Williams, Brad's wife.

Senator MUNDT. She was there.

What transpired? You got to the house, invited yourself in, and they said, "Gee, Clyde, come right in. I forgot to invite you to the party. We are happy to see you" or did they say, "You cannot come in"? Or what did they say? What was their reaction?

Mr. CROSBY. I think their reaction was one of embarrassment. I know that the State policeman didn't like it. I don't think Mr. Williams liked it. But in the position that I was in, fighting something that I didn't even know the existence of, I wasn't taking too—wasn't paying too much attention to someone else's feelings.

Senator MUNDT. I can understand your motivation perfectly. I am just wondering what their reaction was. Did they try to keep you from coming in? Or when you arrived, did they say, "Well, come right in, come on in"?

Mr. CROSBY. They didn't say either. They didn't attempt to bar me, nor did they make me welcome in the normal sense. I think they wished I would have turned around and walked out.

Senator MUNDT. Were they in the process of playing the tapes when you got there?

Mr. CROSBY. I don't believe they had started yet. I know I worked like the dickens to get that wire recorder hooked up so I could get going as fast as I could.

Senator MUNDT. They knew you were taking a wire recording of it?

Mr. CROSBY. They couldn't help but know it. That is true, sir.

Senator MUNDT. But once you were there, they didn't make any effort not to go through with their program?

Mr. CROSBY. No. They went ahead and played the tapes.

Senator MUNDT. What was that?

Mr. CROSBY. They went ahead and played the tapes.

Senator MUNDT. So they really did not resist very vigorously, when you were the uninvited guest, you were the man that came to dinner, and you walked in and said, "Well, I did not get the invitation," but here you are, western hospitality, "sit down, and, by

the way, we are going to have a little tape recording, and you might want to make a tape recording of it, yourself."

It sounds easy for people that did not hear it. They really were not too much against your hearing the tapes, were they?

Mr. CROSBY. I believe that the State policeman was unhappy about it, although I believe that he also decided that that was probably a good time to ask me some questions in relation to what would be on the tapes, which he did.

Senator MUNDT. Is that on your recording, too?

Mr. CROSBY. No. That was not recorded, sir, to the best of my knowledge.

Senator MUNDT. I am just trying to set the thing in a framework where I can understand it. I think everything sounds very plausible, except I do not believe that they resisted very much your effort to take a tape recording, because, obviously, in another man's home, if you walked in and if there was no such program under way, they get out the apparatus, and give you the earphones, and you say "Let's start the party now," they were not trying too hard to keep you from hearing it.

Mr. CROSBY. I guess some people have gentler intents than others, sir. I don't know what the countenance of my face looked like. I know that I was extremely interested in them. I probably would have ignored any request to leave unless they practically threw me out.

Senator MUNDT. There is one missing link you cannot recall even now. Have you learned about this program?

Mr. CROSBY. No, I can't unless it might conceivably have been someone associated with our paper, who had run across the information. It is difficult to establish—

Senator MUNDT. On the Oregon Journal?

Mr. CROSBY. No, the Oregon Teamster, sir.

Senator GOLDWATER. Mr. Chairman, there is one point I would like to question about.

The CHAIRMAN. I would like to make one observation.

The police officer, he was a law enforcement officer, was he not?

Mr. CROSBY. Yes, sir. The State police was, I believe, ordered to conduct the investigation, and obtain all pertinent evidence relating to the vice situation in Portland for use of the attorney general's office.

The CHAIRMAN. And Mr. Brad Williams had the tapes, they were in his possession? He was the one who was playing them?

Mr. CROSBY. It is difficult to say exactly who had them.

The CHAIRMAN. Who actually played them? Someone had to operate them.

Mr. CROSBY. I believe that the State policeman actually operated the machine.

The CHAIRMAN. He actually operated the machine?

Mr. CROSBY. I think he made a copy, sir, of the text of the tapes, and operated both machines.

The CHAIRMAN. Was Mr. Brad Williams at that time connected with the Oregon Journal?

Mr. CROSBY. Yes, sir; he was.

The CHAIRMAN. Is that the customary thing for either a newspaperman or a law enforcement officer, or both, to permit those whom they are investigating, at a time when the tape was supposed to be in the

confidence of the people of the law enforcement agencies, to hear the tape recording under such circumstances? Is that the way efficient police, investigators, and newspapermen, who are trying to run down crime or vice, is that the way they operate, in your judgment and knowledge?

Mr. CROSBY. Senator, I am not qualified to answer that question.

I will say this, that I think it is extremely inopportune from the point of view that I represent to this committee, that the findings of the State police and the report of Capt. Lane Guydane and Fod Mason is not a part of the information that you have available.

The CHAIRMAN. We may have some information. We cannot get it all out in 1 day.

Mr. CROSBY. I asked one of your committee members if he talked to them and he said they didn't have time.

The CHAIRMAN. We do not have time to do everything in a day.

Mr. CROSBY. I meant back in Oregon.

The CHAIRMAN. Maybe he did not know about him.

Let us get down to the facts.

Senator MUNDT. Mr. Crosby, you mean you asked one of the staff, not one of the committee members?

Mr. CROSBY. I beg your pardon. That is correct.

The CHAIRMAN. Here is the strange thing to me. There is a law-enforcement agency, an officer, and someone taken in from the press to help run down files, and they bring in one of those whose name was recorded and give him an opportunity to make a wire recording of it. I just do not understand that kind of law enforcement.

(The witness conferred with his counsel.)

Mr. CROSBY. Senator, they did not bring me in there.

The CHAIRMAN. They did not bring you there, you say?

Mr. CROSBY. No, sir.

The CHAIRMAN. But they permitted you to stay there and permitted you to make a wire recording of the tape. They knew that, did they not, that you were doing that while you were there?

Mr. CROSBY. Yes, sir.

The CHAIRMAN. You told them that you wanted it?

Mr. CROSBY. I did, sir.

The CHAIRMAN. And they permitted you to do it?

Mr. CROSBY. Yes, sir.

The CHAIRMAN. Where did the tape come from? Where did Brad Williams get it?

Mr. CROSBY. I can't answer that question, sir.

The CHAIRMAN. Did you ask him?

Mr. CROSBY. No, I did not ask him.

The CHAIRMAN. You did not have any curiosity about the tape, about the origin of it?

Mr. CROSBY. I knew generally that the tapes came from Clark's house.

The CHAIRMAN. From Clark's house?

Mr. CROSBY. Yes, sir.

The CHAIRMAN. You knew that they had been secured by a search warrant, did you not? You knew that at the time?

Mr. CROSBY. Yes, sir; I knew that.

The CHAIRMAN. You knew that. And you knew later that that search warrant was held fraudulent and illegal by the court? You knew that, too, did you not?

Mr. CROSBY. Yes, sir. But there is so much illegal stuff floating around that it has me over a barrel.

The CHAIRMAN. I am convinced of it.

But you knew it at the time.

Mr. CROSBY. Yes, sir.

The CHAIRMAN. All right. Proceed.

Senator MUNDT. Mr. Crosby, you told us earlier that you had visited the home of James Elkins twice that you could remember.

Mr. CROSBY. No, sir; I did not.

Senator MUNDT. I beg your pardon. He had visited your home twice?

Mr. CROSBY. Yes, sir.

Senator MUNDT. And that on the first occasion he was trying to extort \$10,000 from you, for some tapes?

Mr. CROSBY. No, sir; that was the second occasion.

Senator MUNDT. All right, the second occasion. And that on that occasion you played the tapes in your own home?

Mr. CROSBY. Yes, sir.

Senator MUNDT. Were these the same tapes that you heard in the home of Mr. Williams?

Mr. CROSBY. No, sir.

Senator MUNDT. These were different tapes?

Mr. CROSBY. Yes, sir.

Senator MUNDT. Did you hear all of the tapes that were picked up in the house of Mr. Clark?

Mr. CROSBY. I don't know whether I did or not, sir.

Senator MUNDT. You made a kind of determined mission to the home of Mr. Williams to hear the tapes. I would think probably in the conversation you would have asked him "Have I heard all of the tapes?" Or "Have I just gotten a portion of them?"

Mr. CROSBY. Senator, I didn't know how many tapes there was.

Senator MUNDT. Would you not certainly have asked Mr. Williams, "Is this all now or have you something else?" Otherwise, your mission would have been futile on the face of it. You would not want to hear half of the tapes. You must have said, "Are these all the tapes you have?" Did you not ask him anything like that?

Mr. CROSBY. I don't recall asking him anything like that. I believe Mr. Williams was pretty happy to get me out of there.

Senator MUNDT. You went there for the purpose of hearing the tapes.

Mr. CROSBY. I certainly did, Senator.

Senator MUNDT. It would not do you a bit of good to just hear a third of the tapes, would it?

Mr. CROSBY. I got everything I could get.

Senator MUNDT. Did you ask him any question, or the police officer any question, as to whether you had heard all the tapes they had, or whether they had any other tapes?

Mr. CROSBY. I do not recall asking such a question, Senator.

Senator MUNDT. There would not be much use in your going there at all if you did not ask that question.

Mr. CROSBY. I felt something like an interloper, and I was getting that feeling more and more.

Senator MUNDT. Yes; but after the first 4 hours that feeling kind of leaves you, does it not? You must start getting to feeling rather welcome after that. I can understand your feeling like an interloper when you first arrived.

Mr. CROSBY. I am unable to say whether I made any concrete effort to ascertain whether I had heard them all or not.

Senator MUNDT. I am trying to find out simply this: Whether or not the tapes that you heard in your home—Mr. Elkins came to your home—whether or not the tapes that you heard were included in the tapes that you heard in Mr. Williams' home, and, if not, why not?

Mr. CROSBY. Well, the answer to that, Senator, is that the ones that Mr. Elkins played in my home had absolutely no similarity to those that were played in Mr. Williams' home. They were different types of tapes, as far as I can recall. I say different types, meaning that there were different conversations.

Senator MUNDT. And they were derogatory to you?

Mr. CROSBY. I couldn't find anything on them that was derogatory to me. There was something on one of the tapes.

Senator MUNDT. Is this the one in your home or Mr. Williams'?

Mr. CROSBY. In my home, sir.

Senator MUNDT. Go ahead.

Mr. CROSBY. That was designed, I think, to convince me that it was incriminating against Mr. Sweeney. I listened to the conversation. As I recall, Mr. Elkins pointed it out to me. His introduction to me, when he came in with the equipment, was that he had tapes that were very damaging to teamsters' leaders.

Senator MUNDT. The tapes that you heard in Mr. Williams' home, were they taken at face value, were they damaging to you?

Mr. CROSBY. Only to the extent that some other individual refers to "Clyde." I don't believe there was anything on there that indicated a conversation that I was involved in.

Senator MUNDT. Were the tapes that you heard in your home alleged wiretaps of telephone conversations?

Mr. CROSBY. Yes, sir.

Senator MUNDT. Were the tapes that you heard in Mr. Williams' home also wiretaps of telephone conversations?

Mr. CROSBY. At that time I didn't give it any thought. I don't know as I could answer the question intelligently.

Senator MUNDT. You must, after listening to them 4 hours, have decided that they were either telephone conversations or made in a room where a lot of people were conversing together. You must have had some idea.

Mr. CROSBY. Senator, I would like to explain why at one time I can say "Yes," and at another time I couldn't answer. That is simply this, that at the time I heard the tapes at Mr. Williams' home, I knew nothing about the tape business or how it was done, how the machines operated or anything else, or what was possible by someone skilled in the use of electronic devices.

At the time they were played in my home, I had begun to discuss the matter with various people and had gotten types of interpretations as to what tapes are, what can be done with them, and so on. I felt like I was a little better informed in the incidents in my home.

Senator MUNDT. Will you relate that to your experience, then, and tell us what type of tape it was?

Mr. CROSBY. I think there were telephone conversations in it, but that is only my belief.

Senator MUNDT. Do you think they were also tape recordings of conversations which occurred in a room or in an office or by some bugging device that may have been put on the wall to hear the conversations in an office, a hotel room, or apartment?

Mr. CROSBY. The difference between a tape, sir, that appears to be the result of a room conversation and one that is a telephone conversation is the simple medium of erasing the ringing of the telephone or the discussions held with the operator, and you can't tell the difference. I don't know what the answer to your question is.

Senator MUNDT. Were there a great many voices on the tapes that you heard in Mr. Williams' home, or was it primarily a dialog between two people, the way a telephone conversation runs?

Mr. CROSBY. Well, there was so much conversation on those tapes, Senator, that it would be difficult, and I would hesitate to try to state for the record here what I could recall in the way of what was on them. I think if they were played, that it would be entirely much more clearer to this committee.

The CHAIRMAN. Senator McNamara?

Senator McNAMARA. What is your relationship, if any, with the Western Conference of Teamsters? Are you an official?

Mr. CROSBY. Not as such, Senator. My official reason for being in there is my employment with the international. I am assigned to Oregon with the general understanding that I work under the direction of the vice president in the area, which is Mr. Frank Brewster, who is also president of the Western Conference of Teamsters. Mr. Brewster put into effect a great many technological changes in the manner in which we worked with employers on contracts, which necessitated a great deal of travel, and I was one of the fellows that he used in the field in a coordinating way, and to meet with employers, and attempt to bring about this particular uniform type contract program that was his objective, and that of the western conference.

Senator McNAMARA. Tell me this: Is the Western Conference of Teamsters made up of affiliations of local unions? Is that the way the function is? Is it an association of local unions, primarily, and do the trusteeship locals belong in the same manner as the so-called independent or free locals?

Mr. CROSBY. Well, briefly, Senator, in answer to your question, the Western Conference of Teamsters is a body composed of delegates from all local unions in the 11 Western States.

Senator McNAMARA. The trustee locals as well as the locals that have local autonomy in the general thought?

Mr. CROSBY. Yes, sir; those locals who are official, and locals where trusteeships occur, help to establish and make the policy for the Western Conference of Teamsters.

Senator McNAMARA. You mentioned Mr. Brewster as the president of the western conference.

Mr. CROSBY. Yes, sir.

Senator McNAMARA. Is he elected?

Mr. CROSBY. Yes, sir.

Senator McNAMARA. For how long a term?

Mr. Crosby. The election normally is an annual affair. However, I will say this, that there has never been any spirited contest, because Mr. Brewster has always stood head and shoulders above the rest of us, and from the standpoint of ability he merited the confidence and trust and admiration and respect of 99.9 percent of the officials in 11 Western States.

Senator McNAMARA. Then they do have annual meetings, and there are elections at the annual meetings, and you are saying that he is generally elected by acclamation?

Mr. Crosby. Yes, sir.

Senator McNAMARA. Is that your answer?

Mr. Crosby. Yes, sir.

Senator McNAMARA. But there is, nevertheless, an election?

Mr. Crosby. Yes, sir.

Senator McNAMARA. You mentioned Frank Malloy as business agent for a local, and I understood you to say a local which is in trusteeship.

Mr. Crosby. Yes, sir; that is correct.

Senator McNAMARA. Is he appointed as business agent by the international, by Dave Beck, or by whom?

Mr. Crosby. The trusteeship of local 223, which is the one you refer to, Senator, the papers that empowered Mr. Hildredth to act as trustee were sent to him, I believe, during the period of time that Mr. Sweeney was the organizer in Oregon. Exactly the manner in which Mr. Malloy was assigned, the work as a business agent with that local union, I am not sure about.

Senator McNAMARA. The man who is placed in charge of the local as I am the authority. Who was the authority that appointed the business agent of local 223?

Mr. Crosby. It would be Mr. Hildredth.

Senator McNAMARA. The man who is placed in charge of the local union in trusteeship is authorized to appoint the officers; is that right?

Mr. Crosby. For the period of time that the local is in trusteeship; yes, sir.

Senator McNAMARA. That is what I was trying to establish.

Mr. Crosby. I am sorry I was not responding.

The CHAIRMAN. I have just one question at this point.

You spoke very complimentary, if not flatteringly, about Mr. Brewster, and the high esteem in which he is held by 99.9, or some-odd percent, of the rank and file of the teamster members. Would you say the same thing for his chief, Mr. Dave Beck?

Mr. Crosby. I believe that you acquire the right to establish at least your personal view of someone by close association, Senator.

The CHAIRMAN. I thought you were talking about the views of the 99.9 percent of the membership.

Mr. Crosby. I was closely associated with those individuals and Mr. Brewster. The same is not true with Mr. Beck, being—

The CHAIRMAN. Since you wanted to compliment Mr. Brewster, I thought maybe you wanted to treat Mr. Beck the same way. I did not want him excluded if you, by oversight, had not included him.

Mr. Crosby. I certainly want to say this, Senator, that I have a great deal of personal respect for the ability and accomplishments of Mr. Beck.

Senator GOLDWATER. Mr. Chairman?

The CHAIRMAN. Senator Goldwater.

Senator GOLDWATER. Mr. Crosby, was there a meeting of the western conference held in San Francisco recently, that is, within the last week or 10 days?

Mr. CROSBY. Not as a western conference, Senator. A meeting was held—and I am stating this strictly from hearsay since I was here in Washington waiting to be heard—a meeting was called by the vice president, Joseph Diviny, and two other officials, Peter Andrade and Joe Dillon, asking the secretaries of the various local unions to come to San Francisco, to sit down and discuss the ramifications of the troubles and trials and tribulations we were having.

It is my understanding that a couple of resolutions were passed, but the contents of those resolutions I do not know.

Senator GOLDWATER. Do you know if it is true that one of those resolutions, and maybe both, endorsed the activities of Mr. Brewster in this current condition that the teamsters find themselves in?

Mr. CROSBY. Well, if that resolution was passed, Senator, I would say I would have to vote for it, because, as well as I know Mr. Brewster, I can tell you this with every feeling that is in me, I am stating the truth. Mr. Brewster is not now or ever was involved in any intentional activity to participate in anything illegal.

Senator GOLDWATER. Do you think that that special meeting voices the opinion of the rank and file membership of the teamsters in view of the fact that Mr. Brewster came back here and left the teamsters with a pretty black eye, from the viewpoint of the people of this country, by refusing to testify before a Senate committee?

(The witness conferred with his counsel.)

Mr. CROSBY. Senator, you ask me a difficult question. I don't know whether I am qualified to—

Senator GOLDWATER. Well, do you approve of his activities?

Mr. CROSBY. Yes, I do, because I believe, and as I understand it, he raised simply a constitutional question. I don't believe that he meant any disrespect to the committee. He is far too intelligent a man for that.

(The witness conferred with his counsel.)

Mr. CROSBY. I think what has happened since then is ample evidence that since the question of authority has been cleared up, he has complied in every way. I know he has been waiting for some time in Washington to testify.

Senator MUNDT. Mr. Chairman, I was just going to follow through on a question or two along the line of Senator McNamara's questions. I do not think we have in the record something we probably should have.

Mr. Crosby, what is your salary in the position that you have?

Mr. CROSBY. My salary—

Senator MUNDT. Salary or commission.

Mr. CROSBY. As of December 1, of 1956, is \$16,800 a year, sir.

Senator MUNDT. Do you have an expense account beyond that?

Mr. CROSBY. I am allowed \$15 a day away from home, plus an additional \$7.50 per day miscellaneous expense, and for which I get into a whole peck of trouble with the income tax about.

Senator MUNDT. Do you also get a salary by being a member of the city commission, or whatever position you held?

Mr. CROSBY. There was no salary involved there.

Senator MUNDT. That was not a salaried position?

Mr. CROSBY. No, sir.

Senator MUNDT. Mr. Chairman, I have another question I would like to ask, but I believe you wanted to read a telegram first.

The CHAIRMAN. The counsel wishes to ask one more line of questions, and then I hope that at that time we will let this witness stand aside for a few moments and put on another witness so that he can link his testimony up as we go along. At that time, the Chair will have an announcement to make regarding the telegram.

Mr. KENNEDY. I want to say before I start that, that Mr. Crosby mentioned getting hold of Captain Guydane. Captain Guydane was contacted, Mr. Chairman, and we have a memorandum here which states that:

The writer telephoned Captain Guydane at the Milwaukee, Oregon State Police Office and informed him that Crosby had asked that we get in touch with him for information which would be of value to the committee hearing. Captain Guydane told the writer that he had been following the progress of the committee hearings in the newspapers and that in his opinion he had no oral or written information of benefit to the committee which was not already in the hands of the committee or its staff. He further stated that from what he could read the staff and the hearings had produced more information than he ever had. He suggested that the writer also contact a member of the Attorney General's staff for any information which Guydane might have given to that office.

The writer then got in touch with a member of the Attorney General's staff and was informed that in all probability any information received from Guydane had been made available to the Senate committee, but that it might be advisable to ask Crosby to state very specifically just what facts or information Guydane might have which the Senate committee should know about.

Mr. CROSBY. I could answer your question, Mr. Kennedy, or the question related to you by Captain Guydane, by saying that in previous conversations with Captain Guydane, he indicated that he had quite a fund of knowledge of the operations of Big Jim Elkins. After hearing that statement from Captain Guydane, it looks as though I owe you an apology, and I certainly am not ashamed to offer one.

Mr. KENNEDY. You were talking about Big Jim Elkins. I was trying to find out what your personal relationship with him was. After you found out that he was head of the syndicate in 1954 and you then in 1955 had lunch with him several times and possibly dinner a few times, and he came to your house, did he ever do any favors for you? Did he ever do any work in your house?

(The witness conferred with his counsel.)

Mr. CROSBY. Mr. Kennedy—

Mr. KENNEDY. Advise on his legal rights, Mr. Attorney. You have a right to advise him on his legal rights.

Mr. MAGEE. I am advising on his legal rights. You haven't stated the testimony, sir.

Mr. KENNEDY. Go ahead.

Mr. CROSBY. I was just going to say, Mr. Kennedy, that I don't believe you have correctly summed up the statements I have made.

Mr. KENNEDY. Let us go over it. In 1954 you learned that he was head of the syndicate, right?

Mr. CROSBY. I didn't say that. I said that I learned that he was something other than a legal operator. I do say it in the statements—

Mr. KENNEDY. You have in here that he was head of the syndicate.

Mr. CROSBY. Yes; I do. But I could be using a little bit stronger reference than perhaps I should have.

Mr. KENNEDY. Do not blame me for taking it from your statements under oath.

Mr. CROSBY. Not at all, sir.

Mr. KENNEDY. Did he ever do any favors for you, after 1955? Did any of his employees ever do any work around your house?

Mr. CROSBY. May I qualify the answer, sir?

Mr. KENNEDY. Just answer yes or no and then give your explanation.

Mr. CROSBY. I think it is very important for the committee to know the answer to that question in its full text.

Mr. KENNEDY. I think it is, too. That is why I asked it. We agree. Now would you answer the question?

Mr. CROSBY. To my knowledge,—

Mr. KENNEDY. Just answer the question. Did his employees do any work around your house after you found him to be head of the syndicate?

Mr. CROSBY. There was some work done in my basement but I did not know it was Mr. Elkins employees, nor was the work contracted by myself and Mr. Elkins.

Mr. KENNEDY. You never knew they were Mr. Elkins' employees?

Mr. CROSBY. Not specifically; no.

Mr. KENNEDY. What do you mean not specifically? Did you, generally?

Mr. CROSBY. Well, we are splitting hairs. I guess I might just as well say that eventually I realized that they were Elkins' employees.

Mr. KENNEDY. The allegation has been made, and I am sure you want to clear the record up, that you never paid Mr. Elkins for the work that he did, and his employees did, in your basement, and this is after you learned that he was head of the syndicate.

Mr. CROSBY. I would like to answer that statement very simply, sir. He is right. I paid him nothing.

Mr. KENNEDY. You never paid for all this work?

Mr. CROSBY. I paid someone else, the person that I contracted the work with.

Mr. KENNEDY. Who did you pay?

Mr. CROSBY. I paid Mr. Maloney.

Mr. KENNEDY. Why did you pay Tom Maloney. Tom Maloney?

Mr. CROSBY. That is correct.

Mr. KENNEDY. Why did you pay Tom Maloney for the work Mr. Elkins was doing?

Mr. CROSBY. That is why I wanted the right to qualify the subject matter, Mr. Kennedy.

Mr. KENNEDY. Let us go back.

The employees did some work in your basement, right? How many of Mr. Elkins' employees were there that were doing this work in your basement?

(The witness conferred with his counsel.)

Mr. CROSBY. Frankly, I don't know, because I am sure that I wasn't there a good deal of the time.

Mr. KENNEDY. And you never saw them? Did you talk to any of his employees that were doing the work in the basement?

Mr. CROSBY. Yes, I talked to two of them, as a matter of fact.

Mr. KENNEDY. So at least there were two of them doing the work in your basement, is that right?

Mr. CROSBY. I think that is correct.

Mr. KENNEDY. How did they happen to get down there in the first place?

Mr. CROSBY. Get down where?

Mr. KENNEDY. Into your basement to be doing this work?

Mr. CROSBY. By the simple medium of knocking on the door and going to work.

Mr. KENNEDY. Did they just barge into your house?

Mr. CROSBY. No, they didn't. They, as I recall, and this may not be correct in exact detail, but as—

Mr. KENNEDY. Make it as correct as you can, Mr. Crosby, because, as you say, it is very important.

Mr. CROSBY. As I recall, they came to the house one morning before I left for the office, and stated that they were there to do the work that I had discussed with Mr. Maloney. We went down to the basement and I showed them briefly what I had in mind, and they began to go to work.

Mr. KENNEDY. What did you discuss with Mr. Maloney?

Mr. CROSBY. The question of how that came up arose in this manner: I was in our coffeeshop in our building having coffee with 2 or 3 of our fellows, and remarked that I wanted to have a short partition put in our basement that I could shut it off from the laundry facilities and furnace. Mr. Maloney, sitting at another table, overheard the conversation.

Mr. KENNEDY. This is in the teamster building?

Mr. CROSBY. Yes.

Mr. KENNEDY. Was this at the same period of time that Maloney was a teamster official?

Mr. CROSBY. He never was a teamster official.

Mr. KENNEDY. Were the teamsters paying his bills during this period of time?

Mr. CROSBY. The teamsters were paying his bills at a time that they felt he was performing a service for them, but not on a salary basis.

Mr. KENNEDY. Just an employee; is that right? He was an employee of the teamsters?

Mr. CROSBY. No; he was not an employee.

Mr. KENNEDY. I thought you said he was getting paid by the teamsters.

Mr. CROSBY. I said some of his bills were paid. We paid them because we felt that he was performing a service.

Mr. KENNEDY. What confuses me, of course, Mr. Crosby, is when I was out in Portland, and we had our conversation, you said that none of his bills were paid by the teamsters. I am glad you straightened it out here under oath.

You had this conversation at the teamsters headquarters, and Tom Maloney overheard it—

Mr. MAGEE. Mr. Chairman, may I make an objection to counsel not being permitted to testify unless he is going to be sworn? This is putting into the record here the unsworn testimony of the prosecutor—not the prosecutor, but of general counsel for the committee. I think it is improper.

The CHAIRMAN. Ask him the question. Did he tell you out there that they did not pay his bills?

He can deny it. I will ask it.

Did you tell the chief counsel of this committee when he interrogated you about it that the union did not pay Maloney's bills? Did you tell him that?

Mr. CROSBY. Senator, I can't recall whether that was the manner in which the question was put to me. I certainly would have said no, had it related to questions involving salary.

Mr. KENNEDY. That wasn't the question. Expenses, any of his bills or expenses. You were asked both questions, whether you paid any of his salary, and I also asked you whether any of the bills or expenses were paid.

Mr. CROSBY. I can also answer that this way: To my knowledge, I did not know we had been. I have found out these things since our informal discussion.

The CHAIRMAN. All right, you said no at the time, if you did not know it, did you not?

Mr. CROSBY. Yes, sir; but I would like to qualify it, sir, so that I am not a liar.

The CHAIRMAN. You were not a liar because you said you did not know it, and you say you are not a liar because you did not——

Mr. CROSBY. I guess I am a liar——

Mr. KENNEDY. You said you were a liar?

Mr. CROSBY. Basically, I am not, but I believe at the time you asked me that question I had O. K.'d Mr. Maloney having a telephone. I had forgotten about it. The question of these other bills that were paid during the period of political activity of Mr. Maloney were something that I didn't know about in detail.

The CHAIRMAN. You did not know about it at that time?

Mr. CROSBY. No, sir.

The CHAIRMAN. You have learned of it since?

Mr. CROSBY. I certainly have, sir.

The CHAIRMAN. At the time you had forgotten that you had ordered the telephone paid for for Mr. Maloney?

Mr. CROSBY. Yes, sir.

The CHAIRMAN. But you had already done so, and you had forgotten about it at the time?

(The witness conferred with his counsel.)

Mr. CROSBY. I have lost the continuity of what you are saying, sir, somehow. I am not trying to be——

The CHAIRMAN. I am only trying to be helpful. I do not want you to make the statement that will appear to be false. As I understand it, and I am trying to straighten it out as quickly as we can, when you were asked those questions by the chief counsel when he was out in Portland, you stated that you had not paid any expenses or bills of Mr. Maloney's, did you not, and you answered "No"; is that correct?

Mr. CROSBY. That is correct.

The CHAIRMAN. At that time, you had paid, or authorized the payment of, telephone bills for Mr. Maloney, but you had forgotten about it at that time?

Mr. CROSBY. Yes, sir.

The CHAIRMAN. At that time you did not know about the other bills that had been paid by the union? You have learned of those since?

Mr. CROSBY. Yes, sir.

The CHAIRMAN. That is correct, is it not?

Mr. CROSBY. Yes, sir.

The CHAIRMAN. Now the record is correct.

Senator MUNDT. At that time did you know that Mr. Maloney had been rendering some services to the teamsters, some political activities? Did you know about that when Mr. Kennedy was talking to you?

Mr. CROSBY. Yes; I did.

Senator MUNDT. Did you think he was just doing that out of his own good will without getting any expense money from any source?

Mr. CROSBY. Very frankly, Senator, the answer to that question lies in the fact that I was in and out of the city so much that I didn't know exactly what Mr. Maloney's real capacity was, whether he was working for a political organization other than the teamsters and used some of our machinery to aid in his work, or what. He had me convinced that he knew many things about elections and could be helpful, and, frankly, I accepted them, ill-advisedly.

Senator MUNDT. Did he impress you as being a pretty competent and reliable political manager?

Mr. CROSBY. I really don't know how he impressed me. I was partly repulsed and partly attracted to the man.

Senator MUNDT. I can understand the first part of your statement perfectly.

Mr. KENNEDY. We are going back to the meeting that you had at the teamster headquarters. Tom Maloney said something to you at that time?

Mr. CROSBY. Yes; he did. He came to me alone, when there was no one else around me, and he said—

Listen, I have already got connections with builders around here. I can get that done for you at a good price.

I declined. I said—

Well, what I am going to have done can't involve too much money, and I would just as soon do it through the normal channels.

But you don't say "No" to Mr. Maloney too easily and make it stick.

Mr. KENNEDY. Yes?

Mr. CROSBY. You can tell him "No," and in 2 seconds later he is working on you again, and before you know it, you—

Mr. KENNEDY. So did you finally give in to him?

Mr. CROSBY. Finally I told him to go out to the house and take a look and give me some idea what he thought it would cost.

Mr. KENNEDY. Yes?

Mr. CROSBY. He was shown out there, and I believe I was there, what it was that I wanted, and he said—

Well, I can get that taken care of for a couple of hundred dollars.

Mr. KENNEDY. So the workers came out, is that right, these two workers?

Mr. CROSBY. Well, I told him, "If you can do that, go ahead." That set the wheels in motion whereby these fellows came out.

Mr. KENNEDY. And they worked around your place. For how long a period of time were they around your basement?

Mr. CROSBY. Frankly, I don't know, but I know that I often wondered why they didn't make more progress than what they were making.

Mr. KENNEDY. Did you have any conversations with them?

Mr. CROSBY. Yes; I think I talked to them while I was there.

Mr. KENNEDY. Did they identify themselves as working for or the employees of Jim Elkins?

Mr. CROSBY. At the latter part of it, I think it came to my attention.

Mr. KENNEDY. It did. Then did you pay these individuals or Jim Elkins for the work that was done, as head of the syndicate?

Mr. CROSBY. I didn't contract with Mr. Elkins for the work. I contracted with Mr. Maloney for the work. He was paid the agreed price.

Mr. KENNEDY. He was paid?

Mr. CROSBY. Yes.

Mr. KENNEDY. Did you pay him by check?

Mr. CROSBY. I paid him in cash.

Mr. KENNEDY.. So there is no record of that?

Mr. CROSBY. I know that is intended to make it look funny, but that is the fact. I gave him \$200 in cash.

Mr. KENNEDY. If you knew that these people were employees of Mr. Elkins, why did you not pay Mr. Elkins for the work he was doing?

Mr. CROSBY. Because I didn't contract with Mr. Elkins.

Mr. KENNEDY. But these were people that were working for him. He is the one that deserved the money, not Tom Maloney. Did they tell you to pay Tom Maloney?

Mr. CROSBY. They didn't mention it.

Mr. KENNEDY. When they told you they were working for Jim Elkins, how did they mention that?

Mr. CROSBY. Frankly, I don't recall the conversation.

Mr. KENNEDY. Did not one of them ask you at one time—

Where are you going to get the money to pay for all this material and all the work we are doing—

and you said—

When these E. and R. options come in, we will have plenty of money?

Mr. CROSBY. Mr. Kennedy—

Mr. KENNEDY. Could you answer the question?

Mr. CROSBY. I certainly can. I made no such statement, period. You can underline it in the record.

Mr. KENNEDY. You never did make any such statement?

Mr. CROSBY. No; I did not.

Mr. KENNEDY. And you never had anything to do with Jim Elkins and the E. and R. options, is that right?

Mr. CROSBY. I had no—wait a minute. I had no connection with the man with reference to his obtaining options. I cannot say that at some obscure time I might have talked to him about E. and R., the same as I talked to everybody—

Mr. KENNEDY. Did you ever suggest to him that you might be able to get this steel bridge site selected?

Mr. CROSBY. That is what makes this thing—

MR. KENNEDY. Just answer the question, Mr. Crosby. You do not have to make a speech every time. Just answer the questions, yes or no, and then you can explain it later on.

MR. CROSBY. What is the question?

MR. KENNEDY. Did you ever discuss with Mr. Elkins about getting the E. and R. situated in the Steel-Bridge area?

MR. CROSBY. I think that anybody that I talked to—

MR. KENNEDY. Could you answer the question?

MR. CROSBY. Well, I want to clarify it. Can I clarify it afterwards?

MR. KENNEDY. Yes.

The CHAIRMAN. You can help us, and it is proper, if you will answer the question "Yes" or "No," or "Yes but," or "Yes" something else, or "No" something else, and make such explanations as you think proper.

(The witness conferred with his counsel.)

The CHAIRMAN. But if you go off making a long explanation without answering the question, then it has to be asked again.

MR. CROSBY. I don't think it happened that way, Senator. I think that I simply—

The CHAIRMAN. Do you know it did not happen that way?

MR. CROSBY. I simply talked to the man, if I did, in the same vein as I talked to hundreds of other people, because it was well known that I was an advocate of a development of the Broadway Steel-Bridge site.

MR. KENNEDY. Mr. Chairman, I would wonder at this time, because we are not going to get through Mr. Crosby anyway, and we have several witnesses who I would like to get through so they could go back to Oregon, including one that is pertinent to Mr. Crosby's testimony, if he could stand aside a moment.

The CHAIRMAN. Mr. Crosby, you will stand aside for the moment.

The Chair will take this occasion to make a statement for the record.

During the noon hour, I received this quite lengthy telegram from Mr. Arden X. Pangborn, editor of the Oregon Journal. I will not undertake to read all of it, but there are 1 or 2 things about it that I would like to read, and then I will read into the record the reply that I have sent.

This whole telegram may be printed in the record, and anyone may see it who desires.

Among other things, it says that—

Patrolman Sutter, in his sworn affidavit, reveals for the first time that from February 16, 1956, until March 30, 1956, he was ordered by his superior officers to watch Sheriff Terry D. Schrunk's home at 5407 North Houghton Street as a full-time job and to report to the police bureau's north precinct if Schrunk left his home during the night to "knock off some of their bootleg joints or gambling establishments."

7. Mayor Schrunk told the Journal he is "ready and willing" to take a lie detector test on the question of the Kenton "pickup" to be given by the United States Secret Service.

Schrunk, on Thursday, attempted to introduce in evidence the Bennett and Sutter affidavits. Senator refused to allow their admission because Bennett, subpoenaed as a witness, would not testify before the inquiry committee.

"Bennett just folded up," Schrunk told the Journal. "He is scared to death."

The mayor said that Bennett had previously been harassed by agents of Elkins who followed him into Nevada, California, and Montana. He said Bennett told him that earlier this week he was threatened by a newspaper reporter who said, "Don't get out on a limb. We have it all fixed."

Schrunk spoke bitterly of the committee's attitude toward the Bennett and Sutter affidavits. "The committee will allow Elkins, a thug, a narcotics user and notorious hoodlum, to put into the record all the hearsay evidence he wishes," he said.

"It seems remarkably strange that while the committee will listen to hearsay evidence from a man like Elkins they are not willing to accept on affidavits submitted by the mayor of Portland, who, unfortunately, in this instance, does not happen to possess a police record," Schrunk added.

(Telegram referred to follows:)

PORTLAND, OREG.

The Honorable JOHN L. McCLELLAN,
Chairman, Senate Select Committee,
United States Senate, Washington, D. C.:

The following story will appear in the Friday editions of the Oregon Journal in Portland. It will be backed by photographs of documents cited.

"Bribery allegations laid against Mayor Derry D. Schrunk in Washington, D. C., this week have been found to be demonstrably false.

"Documents and testimony unearthed by Journal investigators early today indicate that Schrunk is innocent of charges by Portland Vice Czar James B. (Big Jim) Elkins that he took \$500 from Clifford O. (Jimmy) Bennett, operator of a Kenton district after-hours joint.

"The Journal early today telegraphed this information to Senator John L. McClellan, Democrat, of Arkansas, chairman of the Senate committee investigating vice and corruption in Portland.

"The Senate committee Thursday heard Vice Czar Elkins and others testify that former Sheriff Schrunk on September 11, 1955, picked up a 'package' under a utility pole outside the 8212 Club on North Denver Avenue.

"Mayor Schrunk, telephoned by the Journal Thursday night, described the allegations as 'fantastic.' He has categorically denied any payoff or attempted payoff by Bennett.

"The Journal's investigation of the charges laid by Elkins and others has turned up the following information not disclosed by witnesses at the Washington hearings:

"1. Bennett, on December 5, 1956, at Vancouver, Wash., signed an affidavit denying that any payoff had ever been made to Schrunk or his deputies. The affidavit was witnessed by Clifford B. Alterman, a Portland attorney, and George Minielly, a deputy sheriff of Multnomah County.

"2. On December 19, 1956, in Great Falls, Mont., Bennett made a further signed affidavit denying that he had ever paid Schrunk a bribe. The affidavit was witnessed by Irene L. Jones, a notary public for the State of Montana.

"3. On November 3, 1956, Richard A. Sutter, a Portland police officer, completely recanted his previous testimony and swore in an affidavit that he did not see Schrunk pick up any package outside the 8212 Club. Sutter told the same story to the Multnomah County grand jury last month and the grand jury did not indict Schrunk. Sutter's affidavit was witnessed by Jack Ellis, an official reporter for the United States district court.

"4. The Journal has corroborated statements made by Sutter, Schrunk, and Minielly that Schrunk on the morning of the 'raid' radioed to the county police, to ask the city police to pick up a stolen bicycle found near the scene of the 8212 Club. The radio logs kept by both the Portland Police Department and the Multnomah County police show entries which substantiate this version of affairs. (Said Minielly: 'If anyone wanted to pick up a bribe, I can't imagine them calling in city police to watch the show.')

"5. The policeman's notebook kept by Patrolman Sutter bears an entry for September 11, 1955, which indicates that Sutter on the morning in question was working with Patrolman K. W. Lindholm and not with either Patrolman Merlin Tiedeman or Patrolman Lowell Amundson. Patrolman Lindholm did not testify at the Washington hearings nor was his name mentioned by the police officers who did testify.

"6. Patrolman Sutter, in his sworn affidavit, reveals for the first time that from February 16, 1956, until March 30, 1956, he was ordered by his superior officers to watch Sheriff Terry D. Schrunk's home at 5407 North Houghton Street as a full-time job and to report to the police bureau's north precinct if Schrunk left his some during the night to 'knock off some of their bootleg joints or gambling establishments.'

"7. Mayor Schrunk told the Journal he is 'ready and willing' to take a lie detector test on the question of the Kenton 'pickup' to be given by the United States Secret Service.

"Schrunk, on Thursday, attempted to introduce in evidence the Bennett and Sutter affidavits. Senator refused to allow their admission because Bennett, subpoenaed as a witness, would not testify before the inquiry committee.

"'Bennett just folded up,' Schrunk told the Journal. 'He is scared to death.'

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"Schrunk spoke bitterly of the committee's attitude toward the Bennett and Sutter affidavits. 'The committee will allow Elkins, a thug, a narcotics user and notorious hoodlum to put into the record all the hearsay evidence he wishes,' he said.

"'It seems remarkably strange that while the committee will listen to hearsay evidence from a man like Elkins they are not willing to accept on affidavits submitted by the mayor of Portland, who, unfortunately in this instance, does not happen to possess a police record,' Schrunk added."

I trust this information will be of help to your committee.

ARDEN X. PANGBORN,
Editor, the Oregon Journal.

The CHAIRMAN. The Chair wishes to announce that this morning while Mayor Schrunk was testifying, before he received this telegram or before he knew any contents of the article that was to be published in the Oregon Journal today in its news account of these hearings, that he permitted the Schrunk affidavit to be made a part of the record, and it is now a part of the record; that he refused and still refuses to permit an affidavit to be placed in the record from Mr. Bennett, who was subpoenaed here as a witness, and who refused to testify so that he might be cross-examined on any affidavit he had given.

But the Chair went further this morning and permitted Mayor Schrunk to read from a document that he, too, with the aid of 1 or 2 others, including a reporter, got from 2 dope fiend prostitutes, in order to try to substantiate his testimony.

I do not know how I can be more lenient than that. It did not belong in the record. The statement that he read from is not even sworn. He afterward said that he would not put much confidence in it.

We are trying to get evidence here, and to check on evidence, that will give us the substance and facts. I just want to say for the benefit of the paper in Oregon, and I will say this for the press and for the record, that I have now wired Mr. Arden Pangborn, editor, the Oregon Journal, Portland, Oreg., as follows:

Reurtel this date, quoting from a newspaper article your publication of today regarding hearings of the Senate select committee now in progress. If you have any facts or information of substance that will aid the committee, and will provide the committee with a statement of such facts or information, that you can and will testify to under oath, the committee will gladly consider what you submit, and if it finds that such facts and information are relevant, it will be very glad indeed to have your testimony before the committee.

I hope that Mr. Pangborn will respond in the affirmative and submit to this committee any facts or information that he feels to be worthy of its consideration, and to which he would be willing to testify.

Call the next witness.

(Those present at this point: The Chairman, and Senators McNamara, Mundt, and Goldwater.)

Mr. KENNEDY. Mr. Slim Jenkins.

(At this point the chairman left the hearing room.)

Senator MUNDT (presiding). Mr. Jenkins, do you swear that the testimony you are about to give is the truth, the whole truth, and nothing but the truth, so help you God?

Mr. JENKINS. I do.

TESTIMONY OF JAMES Q. JENKINS

Mr. KENNEDY. Mr. Jenkins, what is your residence, your present residence?

Mr. JENKINS. Contact, Nev.

Mr. KENNEDY. You do not wish an attorney?

Mr. JENKINS. No.

Mr. KENNEDY. You used to reside in Portland, Oreg.?

Mr. JENKINS. Yes.

Mr. KENNEDY. During what period of time?

Mr. JENKINS. From about last December, for 25 years prior to that.

Mr. KENNEDY. Have you ever been arrested at all for a felony?

Mr. JENKINS. No.

Mr. KENNEDY. You never have?

Mr. JENKINS. No.

Mr. KENNEDY. During the war you were in the service?

Mr. JENKINS. Yes.

Mr. KENNEDY. You were in the Navy?

Mr. JENKINS. In the Army.

Mr. KENNEDY. And you served in the South Pacific?

Mr. JENKINS. Yes.

Mr. KENNEDY. You used to work for Mr. Jim Elkins?

Mr. JENKINS. Yes.

Mr. KENNEDY. During what period of time?

Mr. JENKINS. Well, from about October of 1955, for about 17 years prior to that.

Mr. KENNEDY. Did you work in the campaign for either Mr. William Langley or Mr. McCourt?

Mr. JENKINS. Mr. Langley.

Mr. KENNEDY. You were in Mr. Langley's campaign?

Mr. JENKINS. Yes; I assisted.

Mr. KENNEDY. You were doing that as an employee of Mr. Elkins?

Mr. JENKINS. Yes.

Mr. KENNEDY. Was it generally known at that time that you were an employee of Mr. Elkins?

Mr. JENKINS. Yes.

Mr. KENNEDY. Mr. Crosby has put in his statement here that one of the reasons that the teamsters stayed with Mr. Langley is that Mr. Elkins was with Mr. McCourt.

Were you working for Mr. McCourt or Mr. Langley?

Mr. JENKINS. Mr. Langley.

Mr. KENNEDY. Did you talk to Mr. Crosby at all during this period of time?

Mr. JENKINS. Yes; I talked to him.

Mr. KENNEDY. Was he aware of the fact that you were working for Mr. Langley?

Mr. JENKINS. I am sure that he was.

Mr. KENNEDY. He was aware of that fact?

Mr. JENKINS. Yes.

Mr. KENNEDY. We also had some testimony regarding some repairs or a room that was built for Mr. Crosby's basement. Were you here for that testimony?

Mr. JENKINS. Yes.

Mr. KENNEDY. You were one of the employees that worked in that room?

Mr. JENKINS. Yes.

Mr. KENNEDY. How did it arise that you went to do those repairs?

Mr. JENKINS. Mr. Elkins talked to me about it the first time, and asked me to take Mr. Kane, Bernie Kane, over to Mr. Crosby's home, and see what we could do.

Mr. KENNEDY. You are sure Mr. Elkins talked to you and not Mr. Maloney?

Mr. JENKINS. I am positive.

Mr. KENNEDY. Go ahead.

Mr. JENKINS. He asked me to take him, and he went over and looked the place over to see what he needed done. He was there at the time.

Mr. KENNEDY. Mr. Crosby was there?

Mr. JENKINS. Yes.

Mr. KENNEDY. Was he aware that you were working for Mr. Elkins?

Mr. JENKINS. Well, there was hardly any way he could keep from knowing it. We were driving a truck of Service Machine Co.

Mr. KENNEDY. You were driving Mr. Elkins' truck?

Mr. JENKINS. And we parked it in his driveway. I am sure he knew it.

Mr. KENNEDY. That is the Service Machine Co.?

Mr. JENKINS. Yes.

Mr. KENNEDY. That was Mr. Elkins' company?

Mr. JENKINS. Yes.

Mr. KENNEDY. You went down there and ultimately started to work there; did you not?

Mr. JENKINS. Yes.

Mr. KENNEDY. When you came to do the work there, did you park the Service Machine truck?

Mr. JENKINS. Every time.

Mr. KENNEDY. So there wasn't any question but what Mr. Crosby knew during this period of time?

Mr. JENKINS. No; he couldn't help but know the truck was there.

Mr. KENNEDY. Did you have any conversation about the payment of money with Mr. Crosby for the work being done?

Mr. JENKINS. Yes.

Mr. KENNEDY. What conversations?

Mr. JENKINS. In the first place, I received the money from the safe at our office, at Mr. Elkins' office, and I had to account for it somewhere along the line.

Mr. KENNEDY. What had you gotten that money for?

Mr. JENKINS. For materials for the work on the room.

Mr. KENNEDY. You people bought the material for Mr. Crosby's basement?

Mr. JENKINS. That is right.

(At this point the chairman returned to the hearing room.)

Mr. KENNEDY. From what companies did you buy that material?

Mr. JENKINS. We used some asphalt tile on the floor that I bought from a linoleum store, I think it is Lugi's Linoleum Floor, and I bought some ceiling material, some acoustical tile. I bought it from a lumber company on 29th and Stark. I don't recall the name of it right now.

Mr. KENNEDY. Then you went ahead and did that labor yourselves?

Mr. JENKINS. Yes.

Mr. KENNEDY. You and Mr. Kane?

Mr. JENKINS. That is right.

Mr. KENNEDY. Over what period of time did you work there?

Mr. JENKINS. Well, the best I can recall, it was quite a long period. I think it was well over a month, because we didn't stay at it steady.

Mr. KENNEDY. Did Mr. Crosby ever mention to you that he hated to have anybody associated with Mr. Elkins working around his basement?

Mr. JENKINS. He certainly did not.

Mr. KENNEDY. Did he ever make any derogatory remarks about Mr. Elkins?

Mr. JENKINS. He did not.

Mr. KENNEDY. As being head of the syndicate?

Mr. JENKINS. He did not.

Mr. KENNEDY. Or that he didn't want to have anything to do with him, not to be associated with him?

Mr. JENKINS. He did not.

Mr. KENNEDY. Did Mr. Crosby ever have any talks with you about paying for this material that you purchased, and for the labor that you were doing?

Mr. JENKINS. I think it was the conversation when I brought up the fact that I——

Mr. KENNEDY. What did you say to him?

Mr. JENKINS. That I had to account for the money and I wanted to know where the payment for it was coming from. I think at that time I had about \$300 or maybe a little more invested in material.

Mr. KENNEDY. What did he say?

Mr. JENKINS. He told me, "At the time that the thing on the E. and R. thing clicks," he said, "We will have money for this and everything else, too."

Mr. KENNEDY. He said, "If the thing on the E. and R. clicks, we will have money for everything"?

Mr. JENKINS. Yes.

Mr. KENNEDY. Did you know at that time what was going on in the E. and R.?

Mr. JENKINS. I had a general knowledge, through conversations with Mr. Elkins.

Mr. KENNEDY. With Mr. Elkins?

Mr. JENKINS. That is right.

Mr. KENNEDY. Did you ever have any other conversations with Mr. Crosby about E. and R.?

Mr. JENKINS. No.

Mr. KENNEDY. You never did?

Mr. JENKINS. No.

Mr. KENNEDY. You never drove around——

Mr. JENKINS. I drove around. He called me one time——

Mr. KENNEDY. Who is "he"?

Mr. JENKINS. Mr. Crosby called me one time and wanted me to meet him at the union hall, and he was going to—and we were going from there to his place, to his place. I went over there in our truck, with Bernie Kane, and from there I told Bernie to go ahead and go on out with the truck, and I rode with him.

In the process of going to his house, he showed me around the approximate site of the center.

Mr. KENNEDY. He showed you the area?

Mr. JENKINS. The steel bridge site.

Mr. KENNEDY. On the E. and R.?

Mr. JENKINS. Yes.

Mr. KENNEDY. Did you ever have any other conversations with him about getting paid for this job?

Mr. JENKINS. No.

Mr. KENNEDY. Did you have conversations with his wife? Did she know that you worked for Jim Elkins?

Mr. JENKINS. Well, I am reasonably sure that she knew.

Mr. KENNEDY. You saw her every day?

Mr. JENKINS. Not every day, but I saw her several times while I was there. Often we worked late in the evenings, and at times she was there and at times both were there.

Mr. KENNEDY. Did you bring any gifts over to Mr. Crosby's home?

Mr. JENKINS. Yes. Prior to the time that we started on the party room, we delivered two slot machines to him.

Mr. KENNEDY. You brought two slot machines to his house?

Mr. JENKINS. That is right.

Mr. KENNEDY. Where did you put those?

Mr. JENKINS. We put them in the place that was later to be the party room.

Mr. KENNEDY. Didn't Mr. Crosby say to you, "I don't want to receive any such gift from Jim Elkins, the head of the syndicate"?

Mr. JENKINS. No; I am sorry; he didn't.

Mr. KENNEDY. He didn't?

Mr. JENKINS. No.

Mr. KENNEDY. Did you leave them there?

Mr. JENKINS. Yes.

Mr. KENNEDY. Did they stay there?

Mr. JENKINS. Yes.

Mr. KENNEDY. You never came back to pick them up?

Mr. JENKINS. No.

Mr. KENNEDY. Did you deliver those in your truck?

Mr. JENKINS. Yes.

Mr. KENNEDY. The same truck?

Mr. JENKINS. The same truck.

Mr. KENNEDY. What date was that, approximately?

Mr. JENKINS. I will have to look here. I am not very good on dates.

Mr. KENNEDY. Approximately when was it?

Mr. JENKINS. Early 1955.

Mr. KENNEDY. Going back to this room, approximately how much was your labor worth, and the materials you purchased?

Mr. JENKINS. The material run a little over \$300, and I just estimate the labor would run approximately the same amount.

Mr. KENNEDY. So it was worth about \$600 worth of work that you did?

Mr. JENKINS. Yes.

Mr. KENNEDY. You also delivered these two slot machines?

Mr. JENKINS. Yes.

Mr. KENNEDY. And Mr. Crosby received those, did he not?

Mr. JENKINS. Yes.

Mr. KENNEDY. Did he know who they were from?

Mr. JENKINS. Yes; he definitely knew who they were from.

Mr. KENNEDY. There is no question about that?

Mr. JENKINS. In my mind, there is no question about it. If I brought them in the truck with the name of the company, there is no question.

Mr. KENNEDY. Mr. Crosby states in his statement, and I read from the second page—

I used my influence to keep Mr. Elkins from entering the teamsters union because by that time I was aware of his activities in the underworld.

You were an employee of Mr. Elkins?

Mr. JENKINS. Yes.

Mr. KENNEDY. Mr. Kane was an employee of Mr. Elkins?

Mr. JENKINS. Yes.

Mr. KENNEDY. Mr. Frank Bates was an employee of Mr. Elkins?

Mr. JENKINS. Yes.

Mr. KENNEDY. Mr. Lee Appelgate was an employee of Mr. Elkins?

Mr. JENKINS. Yes.

Mr. KENNEDY. Mr. John Vance?

Mr. JENKINS. Yes.

Mr. KENNEDY. Mr. Audie Elkins, Jim Elkins' nephew, also worked for Jim Elkins?

Mr. JENKINS. Yes.

Mr. KENNEDY. Were you people kept out of the union?

Mr. JENKINS. No; to the best of my knowledge, we were amongst the first to be taken into the union.

Mr. KENNEDY. So you did get into the union as Mr. Elkins' employees?

Mr. JENKINS. That is right.

Mr. KENNEDY. And you got in in December of 1953?

Mr. JENKINS. Yes.

Mr. KENNEDY. You got in in December of 1953. So this statement that—

I used my influence to keep Mr. Elkins from entering the teamsters union because by that time I was aware of his activities in the underworld—

there is a mistake there?

Mr. JENKINS. Well, it is apparent that there is.

Mr. KENNEDY. You were in in 1953, and how long were you in then?

Mr. JENKINS. For approximately 2 years. I think I took a withdrawal card out myself along in November of 1956—1955.

Mr. KENNEDY. About November of 1955?

Mr. JENKINS. Yes.

Mr. KENNEDY. That was after Jim Elkins had sold his pinball route?

Mr. JENKINS. That is right.

Mr. KENNEDY. So there was no need to be in?

Mr. JENKINS. No need.

Mr. KENNEDY. One other matter I want to cover is this: Were you ever in Tom Maloney's apartment?

Mr. JENKINS. Yes; I was.

Mr. KENNEDY. Did you ever deliver any money there?

Mr. JENKINS. Yes; I did.

Mr. KENNEDY. You brought money yourself up to him?

Mr. JENKINS. Yes.

Mr. KENNEDY. Was Joe McLaughlin and Tom Maloney present when you brought the money?

Mr. JENKINS. Yes.

Mr. KENNEDY. How many occasions?

Mr. JENKINS. Either 4 or 5.

Mr. KENNEDY. Was that money from the various joints that Mr. Jim Elkins was operating?

Mr. JENKINS. Yes, definitely.

Senator MUNDT. How much money was involved?

Mr. JENKINS. I don't know just offhand. I can look and tell you. I got it right here.

The CHAIRMAN. What are you referring to?

Mr. JENKINS. It is just a statement that I have some dates on.

The CHAIRMAN. Is it your own statement, something you compiled yourself?

Mr. JENKINS. Yes.

The CHAIRMAN. You are just looking at it to refresh your memory?

Mr. JENKINS. Yes.

The CHAIRMAN. Proceed.

Mr. JENKINS. I would say it was somewhere in the neighborhood of between \$3,500 and \$5,000.

Senator MUNDT. The total amount that you delivered?

Mr. JENKINS. Yes; I am not positive.

Senator MUNDT. You would deliver several hundred dollars at a time?

Mr. JENKINS. Yes, sir.

(At this point Senator McCarthy entered the hearing room.)

Senator MUNDT. You said you went over to the labor hall to meet Mr. Crosby, you and Mr. Kane went over. And Mr. Kane then drove over to Crosby's home on the truck, and you drove with him in his car?

Mr. JENKINS. That is right.

Senator MUNDT. What was your purpose in going to his home at that time?

Mr. JENKINS. I think, if I am not mistaken, we were in the process of some part of the work. I believe it was the ceiling that he wanted put in, and we went over to look it over and decide on the type of material he wanted to use for it.

Senator MUNDT. Did you ever find out whether Mr. Elkins was paid for the \$600 that you fellows invested in this project, or any part of it?

Mr. JENKINS. To the best of my knowledge, he never was.

Senator MUNDT. Did you ever hear him tell you that he was not paid?

Mr. JENKINS. Yes; he told me that he was never paid for it.

Senator MUNDT. Did he ever indicate that he might have gotten part of the payment through Mr. Maloney?

Mr. JENKINS. No; he did not.

Senator MUNDT. Did he ever mention receiving \$200 from Tom Maloney?

Mr. JENKINS. He did not.

Senator MUNDT. He did complain about the fact that he had invested the \$600 in the material and the time of his employees and had not been repaid?

Mr. JENKINS. Well, I don't know that he complained about it. I wouldn't say that.

Senator MUNDT. You heard him mention it?

Mr. JENKINS. Well, it probably was me, the one that mentioned it, because I was out the amount of money that I had used to buy the material with, and I wouldn't say that he complained about it or said anything about it.

Senator MUNDT. You complained about it because you were out the money?

Mr. JENKINS. Yes; I had to account for the money in the safe.

Senator MUNDT. Did you have to reimburse Mr. Elkins for that money?

Mr. JENKINS. No; but it was a matter of keeping the money in the safe.

Senator MUNDT. Keeping a record?

Mr. JENKINS. Keeping the records straight.

Senator GOLDWATER. May I ask a question?

The CHAIRMAN. Senator Goldwater.

Senator GOLDWATER. When you were in the process of constructing this playroom in the basement of Mr. Crosby's were you a member of any of the building trades unions?

Mr. JENKINS. No; just the teamsters.

Senator GOLDWATER. Did Mr. Crosby ask you if you carried a card in any of the building trades unions?

Mr. JENKINS. No.

Senator GOLDWATER. Did you think it was rather strange that an international organizer was not interested in whether or not the man working in his house was a member of the union?

Mr. JENKINS. Frankly, I can't say that I even gave it any thought.

The CHAIRMAN. Did you tell him you were a member of the teamsters union?

Mr. JENKINS. I presumed that he knew.

The CHAIRMAN. You presumed he knew?

Mr. JENKINS. That he knew that.

Senator McNAMARA. Mr. Chairman—

The CHAIRMAN. Senator McNamara.

Senator McNAMARA. I would like to ask the witness a couple of questions.

Did you customarily do this kind of work in the normal course of your employment with Mr. Elkins, in other places?

Mr. JENKINS. Yes.

Senator McNAMARA. Do they have a building code in the city of Portland?

Mr. JENKINS. Yes; they do.

Senator McNAMARA. Are you required to take out a permit for such a major operation as this?

Mr. JENKINS. I don't know that. I couldn't tell you. I don't know whether that portion of the work we did requires a permit or not.

Senator McNAMARA. You are totally ignorant of the building code?

Mr. JENKINS. Well, I am not totally ignorant.

Senator McNAMARA. What is that?

Mr. JENKINS. I am not totally ignorant of the building code, but I don't know whether that part of the work that we did required a permit or not.

Senator McNAMARA. Did you ever take out a building permit on any operation?

Mr. JENKINS. I have taken out several building permits since, because I went into business for myself after that, after I left Mr. Elkins employ. I went into business for myself.

Senator McNAMARA. While you were an employee of Mr. Elkins, did you ever take out a building permit?

Mr. JENKINS. I don't recall that I ever did; no.

Senator McNAMARA. You never would find any building inspectors on any of your work?

Mr. JENKINS. No.

Senator McNAMARA. This obviously was what would be considered a fairly major job if you worked all of these men that were mentioned, and over a period of 2 months, and spent \$300 for labor.

Mr. JENKINS. Just a moment, Senator. These men were employees of the company, but only Bernie Kane and myself were involved in this one project.

Senator McNAMARA. Just two of you?

Mr. JENKINS. Yes.

Senator McNAMARA. Mr. Maloney was there at times, but he didn't work on it?

Mr. JENKINS. Mr. Maloney was never there.

Senator McNAMARA. He was never there?

Mr. JENKINS. He was never there.

Senator McNAMARA. I see. Obviously, the job was large enough so that it should have had a building permit. My line of questioning was to the end that we might establish whom the building permit was issued to, and that might clear up who the contractor was. That question seems to be in controversy.

Thank you.

Senator GOLDWATER. Mr. Chairman—

The CHAIRMAN. Senator Goldwater.

Senator GOLDWATER. To follow my previous questioning: To your knowledge, were the other two members of Mr. Elkins' company who worked on this project in Mr. Crosby's home members of any building trades union at the time?

Mr. JENKINS. There was only one other member.

Senator GOLDWATER. Was the other man a member of the building trades?

Mr. JENKINS. No; he was not.

Senator GOLDWATER. Neither one of you belonged to the building trades unions?

Mr. JENKINS. No.

Senator GOLDWATER. Thank you.

The CHAIRMAN. Counsel, any further questions?

Mr. KENNEDY. That is all.

The CHAIRMAN. Stand aside, and we will call the next witness.

Mr. KENNEDY. Mr. Tom Maloney.

The CHAIRMAN. The Chair will announce we are going to run a little late, because we are not going to run a session tomorrow, and we are trying to dispose of witnesses to get through with them so they may go home.

(Members present at this point: The chairman and Senators McNamara, McCarthy, Mundt, and Goldwater.)

Mr. RAND. May I ask that the lights be turned off, Mr. Chairman, and the photographers desist?

The CHAIRMAN. You may turn off the lights, and you will make no flash pictures while the witness is testifying.

Now, Mr. Maloney.

TESTIMONY OF THOMAS E. MALONEY, ACCOMPANIED BY HIS COUNSEL, HARRY I. RAND—Resumed

The CHAIRMAN. Mr. Maloney, you testified—

Mr. RAND. May we have the lights off? I can't even see you, Senator.

Senator McCARTHY. It is all right, is it not, if they turn the lights on the Chair, but not on the witness?

The CHAIRMAN. It is all right to turn the lights on here. I have no objection, and I am sure Senator McCarthy does not.

Senator MUNDT. Mr. Chairman, I believe counsel did not state this, but I believe the reason for his rather unusual request is that Mr. Maloney has been ill.

Is that the reason you want the lights off?

Mr. RAND. Indeed, Mr. Maloney was just ordered about a half-hour ago by the Capitol physician to go to the hospital or that he should go on home.

Senator MUNDT. I thought that should be in the record.

The CHAIRMAN. I was just trying to expedite it.

Mr. Maloney, you testified before this committee a few days ago. Is that correct?

Mr. MALONEY. Yes, sir.

The CHAIRMAN. You are under the same oath. You have the same counsel present who identified himself for the record at that time?

Mr. MALONEY. Yes, sir.

Senator McCARTHY. Mr. Chairman, I have never seen Mr. Maloney before. I have heard the testimony about him. It occurs to me that if he has been ordered to go to the hospital by competent doctors, that we perhaps should let him do that and bring him back after he has come back from the hospital.

The CHAIRMAN. As I understand, there are only 1 or 2 questions counsel wants to clear up. It will not take too long. We are trying to do this to accommodate him as much as the committee.

Proceed.

Mr. KENNEDY. Mr. Maloney, you were here in the room when Mr. Crosby testified that he gave you \$200 for the repairs done in his room. Did you ever inform Mr. Crosby that you were going to get some individuals, some workers, to do work in his basement?

(The witness conferred with his counsel.)

Mr. MALONEY. I am going to invoke the fifth amendment.

Mr. KENNEDY. You will not answer that?

Mr. MALONEY. No, sir.

Mr. KENNEDY. Will you tell us what your relationship was with Mr. Clyde Crosby?

(The witness conferred with his counsel.)

Mr. MALONEY. I invoke the fifth amendment.

Senator McCARTHY. Could I interrupt?

Mr. Maloney, you understand that when you invoke the fifth amendment you are, in effect, professing your guilt to all who hear this testimony.

You see, if you are completely innocent of any wrongdoing, you do not have to invoke the fifth amendment. It is only when you have been guilty of wrongdoing that you invoke it. I assume your counsel also knows that the invocation of the fifth amendment, while it cannot be used in a criminal case, can be used in a civil case.

I am not acting as your counsel now, but I do think that you should know the impression, at least that I get, and I assume the other members of the committee, and I assume everybody in the country, when you invoke the fifth amendment.

Mr. RAND. Mr. Chairman, if I may say, since Senator McCarthy referred to counsel—

Senator McCARTHY. I wish you would merely consult with your client and not address the committee, if that is all right with the Chair. I think that is our rule.

Mr. RAND. I thought, Senator, you addressed me. I am sorry.

(The witness conferred with his counsel.)

The CHAIRMAN. I am sure witness has employed counsel of his own choosing. I mentioned to the witness if he wished to do so, which he has the right to do, and which I advise all of them to do if they think they need an attorney, that it is up to the attorney to guide, direct, and consult with them, and the Chair is not going to undertake to usurp the responsibility of counsel that they choose.

Proceed.

Senator McCARTHY. Could I ask Mr. Maloney a question?

I hesitate doing this in view of the word that I get that you have been ordered to go to the hospital. I do not want to keep you here any unnecessary length of time.

Do you honestly feel that if you answered the two questions that Mr. Kennedy propounded that your answers might tend to incriminate you?

(The witness conferred with his counsel.)

Mr. MALONEY. I do.

The CHAIRMAN. Proceed.

Mr. KENNEDY. While you were down in Portland, Oreg., in 1954 or 1955, were you acting as a teamster official?

Mr. MALONEY. If I was acting as a teamster official?

Mr. KENNEDY. Yes.

Mr. MALONEY. What do you mean "acting"? How do you mean by that, "acting"?

Mr. KENNEDY. Did you set yourself forth as a teamster official? (The witness conferred with his counsel.)

Mr. MALONEY. I claim the fifth amendment on that.

Mr. KENNEDY. Do you claim to be a teamster official?

Mr. MALONEY. I claim the fifth amendment on that.

Mr. KENNEDY. Were you a teamster official? Were you a teamster official at that time?

Mr. MALONEY. I claim the fifth amendment on that.

The CHAIRMAN. Do you think it would incriminate you? Are you taking a position here before this committee, and the whole country, that to admit that you belong to the teamsters union, and that you acted as an official in that union, such fact or testimony might tend to incriminate you?

Do you honestly believe that?

(The witness conferred with his counsel.)

Mr. MALONEY. I do.

The CHAIRMAN. You honestly believe it would.

Senator McCARTHY. Mr. Chairman, could I get this straight?

Do you mean to tell us now that you feel it would incriminate you if you admitted you were a member of the teamsters union? You cannot believe that; can you?

(The witness conferred with his counsel.)

Mr. RAND. May I advise the witness, Senator, and Mr. Chairman?

The CHAIRMAN. You may counsel him as to his legal rights.

(The witness conferred with his counsel.)

Mr. MALONEY. If I gave an answer to that, I would tend to incriminate me.

Senator McCARTHY. Mr. Maloney, I do not want to argue the point with you, but I have not thought that being an official of the teamsters union was a crime. I have high respect for 98 percent of the members of the teamsters union, and I think you are doing a great disservice to the union to which you belong when you say it would incriminate you to even admit you were an official of that union.

You certainly have the right; I am not questioning that. If your counsel advises you not to answer that, so be it.

Mr. RAND. Mr. Chairman, I—

Mr. MALONEY. Why do you not stop those pictures for a minute?

The CHAIRMAN. Just a moment.

The Chair has ordered no pictures taken. Is there anyone that did not understand that order? The next one that snaps a picture will be barred from the room. I hope you get that understanding.

Proceed.

Mr. RAND. Perhaps Senator McCarthy may be aided.

Senator McCarthy, apparently, or I, mistook the question by Mr. Kennedy. Mr. Kennedy was not asking this witness whether he was ever an official of the teamsters union, but whether he had held himself out as such.

If the question is put as to whether Mr. Maloney was ever an official of the teamsters union, I believe he is prepared to answer that.

Senator McCARTHY. I believe if the question was reread, and I do not want to burden the reporter with going back over all the argument,

I am sure that Mr. Kennedy's question was, "Were you a member of the teamster's union?" Perhaps the record should speak for itself.

The CHAIRMAN. It will speak for itself.

If he does not want to answer the question, he can take the fifth amendment. I do not agree with his conclusion that admitting he is a member of the union or an official of the union might incriminate him. I do not agree with him. But it is his counsel, his oath and his action.

Proceed.

(The witness conferred with his counsel.)

Mr. KENNEDY. Do you know Mr. Frank Brewster, president of the Western Conference of Teamsters?

Mr. MALONEY. Just a minute. I want to answer Mr. McCarthy's question.

The CHAIRMAN. All right.

Mr. MALONEY. I have never been employed by the teamsters union. I have never been an official of the teamsters union.

Mr. KENNEDY. Could I ask you in that connection, then—

The CHAIRMAN. You may proceed to examine him now.

Mr. KENNEDY. For what reason did you receive moneys when you were in Portland from the teamsters union, if you were never employed by the teamsters union?

Mr. MALONEY. I will claim the fifth amendment.

The CHAIRMAN. Just a moment.

Ask the question so he understands it. The Chair will order him to answer.

Mr. KENNEDY. For what reason did you receive moneys from the teamsters union when you were in Portland in 1955?

(The witness conferred with his counsel.)

Mr. MALONEY. I invoke the fifth amendment.

The CHAIRMAN. You are ordered and directed to answer the question. You say you were not an official of the union.

Mr. MALONEY. I refuse to answer the question.

The CHAIRMAN. You say you never did any work for the union? Is that correct? You never did any work for the union?

(The witness conferred with his counsel.)

Mr. MALONEY. I was never an employee.

The CHAIRMAN. You were never an employee. Well, if you did work, you would be an employee, if you did it with their knowledge, and with their approval, so you were never an employee of the union; is that correct?

Mr. MALONEY. Yes, that is correct.

The CHAIRMAN. Although you received money from them, you were not an employee?

(The witness conferred with his counsel.)

Mr. MALONEY. I refuse to answer. I invoke the fifth amendment.

The CHAIRMAN. You are ordered and directed to answer that question, whether you received money from them.

You say you were not an employee; you never did any work for them.

Mr. MALONEY. I invoke the fifth amendment.

The CHAIRMAN. You are ordered and directed to answer the question.

Mr. RAND. He has been twice, Senator.

Senator McCARTHY. Mr. Chairman, so that the witness cannot claim ignorance of why he is being ordered to answer, if some future criminal proceeding develops, I think he should be told now that under our interpretation of the fifth amendment privilege, once you answer a question dealing with a subject, then you cannot invoke the fifth amendment on the details of that subject.

I think you should know that. I am not asking for an answer, but I believe that is the position of the Chair. I know it is my position. I hate very much to take your time here when you claim you are sick, but as long as you are here, we must examine you on these subjects.

(The witness conferred with his counsel.)

Mr. RAND. There is no pending question, as I understand it, Mr. Chairman.

Mr. KENNEDY. Did you do any work for the teamsters union?

Mr. MALONEY. I invoke the fifth amendment.

Mr. KENNEDY. Well, you got paid by the teamsters union?

Mr. MALONEY. I invoke the fifth amendment.

Senator McCARTHY. I think he should be ordered to answer, Mr. Chairman.

The CHAIRMAN. He is ordered to answer both questions, and he is also directed to answer. I will make it as strong as I know how.

Mr. MALONEY. I refuse to answer.

Mr. KENNEDY. What was your connection with the teamsters union?

Mr. MALONEY. I invoke the fifth amendment.

Mr. KENNEDY. Did you ever have any financial connections with the teamsters union?

Mr. MALONEY. I invoke the fifth amendment.

Mr. KENNEDY. Did you ever have financial connections with Frank Brewster?

Mr. MALONEY. I invoke the fifth amendment.

Mr. KENNEDY. Mr. Crosby testified that he ordered and paid for a telephone for you. Was his testimony true or false?

Mr. MALONEY. I invoke the fifth amendment.

Senator McCARTHY. Were you guilty of any criminal activities in connection with the teamsters union?

(The witness conferred with his counsel.)

Mr. MALONEY. I invoke the fifth amendment.

Mr. KENNEDY. Just answer me this: While you were being paid by the union or receiving your expenses from the union, were you attempting to set up afterhour joints, gambling places, and houses of prostitution?

Mr. MALONEY. I invoke the fifth amendment.

Mr. KENNEDY. Was that being done with the full knowledge of the teamsters?

Mr. MALONEY. I invoke the fifth amendment.

Mr. KENNEDY. Were you keeping Mr. Frank Brewster informed while you were doing this?

Mr. MALONEY. I invoke the fifth amendment.

Mr. KENNEDY. Would they have paid you your expenses without knowing that you were trying, or attempting, to set up houses of prostitution and afterhour places?

Mr. MALONEY. I invoke the fifth amendment.

Senator McCARTHY. Mr. Chairman, may I say that I will have many questions to ask of this witness. I note that he is sweating and

wiping his forehead. I rely upon counsel's statement that he was ordered to the hospital. If that is true, I think he should be excused and brought back. I do not want to excuse a man and not ask a question which I think we should ask, merely because of the claim of sickness. If he is sick, he should be allowed to recover and come back.

Mr. RAND. Mr. Chairman, may I—

Senator McCARTHY. I may say, Mr. Counsel, that I do have many questions to ask this witness.

Mr. RAND. I need not tell the chairman that this witness has been here for 10 days. Mr. Maloney, I think, rather than go to the hospital, would prefer to get on a sleeper and go on back home where he can be looked after. He has been alone here for 10 full days.

The CHAIRMAN. The Chair intends to exercise the witness, but keep him under recognizance, under the present subpoena, so he will be back here when he is notified to be.

If the attorney and the witness will accept that, it will be the purpose of the Chair to excuse the witness until he is notified to return, and notification to you, Mr. Counsel, will be sufficient if the witness will agree to it.

Mr. MALONEY. I will agree to anything you want me to.

The CHAIRMAN. You will not agree to answering questions.

Mr. MALONEY. I am under five indictments.

The CHAIRMAN. Just five?

Mr. RAND. It is a small number for witnesses before this committee.

The CHAIRMAN. I knew. That is why I made the reference.

Are there any other questions? Then, you will be excused under the agreement that you are to return whenever your counsel is notified to have you here. You will be given a reasonable time for transportation to make the trip and so forth.

Senator McCARTHY. Could we, Mr. Chairman, receive a report from the doctor periodically when this man is physically able to return? I do have a great number of questions to ask him.

The CHAIRMAN. Of course, we can receive that and we can question the doctor as to whether he is able to return. We can find out about it.

All right; you are excused.

Mr. KENNEDY. I am sorry, but we have another witness that wants to leave and must leave also.

The CHAIRMAN. Let us call him. I would rather do this than work tomorrow.

TESTIMONY OF JOSEPH P. McLAUGHLIN, ACCOMPANIED BY COUNSEL, CHARLES E. RAYMOND—Resumed

The CHAIRMAN. You testified before this committee a few days ago under oath?

Mr. McLAUGHLIN. Yes, sir.

The CHAIRMAN. You acknowledge the same oath?

Mr. McLAUGHLIN. Yes, sir.

The CHAIRMAN. You are under the same oath at present and you have with you the same attorney you had the other day whose name is already a matter of record?

Mr. McLAUGHLIN. Yes, sir.

The CHAIRMAN. Proceed.

Mr. KENNEDY. I want to ask you specifically—

Mr. McLAUGHLIN. Could we have pictures before or after?

The CHAIRMAN. All right. Snap your pictures right quick.

We will proceed. The picture taking will cease.

Mr. KENNEDY. Mr. McLaughlin, you came down as I understand it, to Portland during the early part of 1955 and could you tell the committee for what reason you came down to Portland?

Mr. McLAUGHLIN. I would like to read this this time and make a statement in answer to that.

Mr. KENNEDY. You have a statement you want to read?

Mr. McLAUGHLIN. Please. I am sorry that I cannot answer that question. As you know, I am under indictment out in Portland, Oreg., on several gambling and conspiracy charges. My answer would tend to incriminate me under both Federal and State criminal laws. I, therefore, claim my constitutional privileges, especially under the 5th and the 14th amendments to the Constitution of the United States of America, section 12 of article I of the Constitution of the State of Oregon.

Mr. KENNEDY. Did you discuss going down to Portland with Mr. Frank Brewster, president of the Western Conference of Teamsters?

Mr. McLAUGHLIN. I am sorry I cannot answer that question.

Mr. KENNEDY. On the ground of the fifth amendment?

Mr. McLAUGHLIN. Yes; I cannot answer that question because my answer would tend to incriminate me and, therefore, I stand on my constitutional rights as I said before.

Mr. KENNEDY. What instructions did Mr. Frank Brewster give you prior to your coming to Portland?

Mr. McLAUGHLIN. I cannot answer that question because my answers would tend to incriminate me, and, therefore, I stand on my constitutional rights as stated before.

Mr. KENNEDY. Did Mr. Frank Brewster send you to any other areas of the county?

(The witness consulted with his counsel.)

Mr. McLAUGHLIN. I cannot answer that question because of my answer would tend to incriminate me and I, therefore, stand on my constitutional rights as stated before.

Mr. KENNEDY. Did you ever use your connections with the teamsters union to set up the Acme Amusement Co.?

Mr. McLAUGHLIN. I cannot answer that question, because my answer would tend to incriminate me, and, therefore, I stand on my constitutional rights, as I said before.

Mr. KENNEDY. Did you ever use your connections with the teamsters union to organize a punchboard operation in the city of Portland?

Mr. McLAUGHLIN. I cannot answer that question, because my answer would tend to incriminate me, and, therefore, I stand on my constitutional rights.

Mr. KENNEDY. Did Mr. Frank Brewster send you to any other areas of the country to set up similar operations?

Mr. McLAUGHLIN. I cannot answer that question, because my answer would tend to incriminate me, and I, therefore, stand on my constitutional rights, as I said before.

Senator McCARTHY. Could I ask one question here, Mr. Chairman?

The CHAIRMAN. You may.

Senator McCARTHY. I think this question has been asked before, but let me repeat it. Were you an employee or an official of the teamsters union?

(The witness consulted with his counsel.)

Mr. McLAUGHLIN. I cannot answer that question, because my answer would tend to incriminate me, and, therefore, I stand on my constitutional rights, as I said before.

Senator McCARTHY. Do you feel that if you were to tell us whether or not you were an official or an employee of the teamsters union that that answer might tend to incriminate you?

Do you honestly feel that?

(The witness consulted with his counsel.)

Mr. McLAUGHLIN. Would you repeat the question again, sir?

Senator McCARTHY. Would the reporter read the question?

(The pending question was read by the reporter.)

Mr. McLAUGHLIN. Yes, I do, because it might possibly forge a link in a chain of evidence.

Senator McCARTHY. Mr. Chairman, as you know, I have sat for a good many years listening to witnesses take the fifth amendment. I feel that there are times when they certainly can.

However, you cannot help but get a bit disturbed when there is a frivolous use of the fifth. I think that this witness should be ordered to answer that question, because certainly, being an official or an employee of the teamsters union in and of itself could in no way incriminate him.

As far as I know, that is a fairly honorable union with some crooks, perhaps, in it. So I ask the Chair to order him to answer that question.

The CHAIRMAN. All right, if that will expedite it, the Chair orders you and directs you to answer the question.

(The witness consulted with his counsel.)

The CHAIRMAN. That is, whether you have been an employee or an officer or a member of the teamsters union.

(The witness conferred with his counsel.)

Mr. McLAUGHLIN. I have never been an official or an employee of the teamsters union.

Mr. KENNEDY. Have you ever received any money from the teamsters union?

Mr. McLAUGHLIN. I have never received any money from the teamsters.

Mr. KENNEDY. Have you ever had your expenses paid by the teamsters union?

Mr. McLAUGHLIN. I cannot answer that question because my answer would tend to incriminate me and I, therefore, stand on my constitutional rights.

The CHAIRMAN. I order and direct you to answer the question.

Mr. McLAUGHLIN. I cannot answer the question because my answer would tend to incriminate me and I, therefore, stand on my constitutional rights as I said before.

The CHAIRMAN. Did you receive any pay for any services rendered to the teamsters union or to any of its officials?

(The witness consulted with his counsel.)

Mr. McLAUGHLIN. I never received any pay.

The CHAIRMAN. Did you ever receive any expenses? Did they ever pay for anything for you?

(The witness consulted with his counsel.)

Mr. McLAUGHLIN. What is that question again, sir?

The CHAIRMAN. Did they ever pay any expenses or pay any money to you for any services rendered?

(The witness consulted with his counsel.)

Mr. McLAUGHLIN. You are asking me 2 or 3 questions there and I cannot answer the question.

The CHAIRMAN. I will ask them one at a time. Did you ever receive any money from Frank Brewster?

Mr. McLAUGHLIN. No, sir.

The CHAIRMAN. Did he ever pay you for any services that you rendered to the union?

Mr. McLAUGHLIN. No, sir.

The CHAIRMAN. Did he ever pay you with union funds for any services or for any other reason?

Mr. McLAUGHLIN. No, sir.

The CHAIRMAN. Did the union ever pay any of your expenses or telephone bills?

Mr. McLAUGHLIN. I am sorry I cannot answer that question. As you know I am under indictment out in Portland, Oreg., on several gambling and conspiracy charges.

The CHAIRMAN. You said you never received any expenses and now I order and direct you to answer that question, whether you received hotel expenses, hotel bills were paid for you, telephone bills paid for you, by the teamsters union or by Frank Brewster.

Mr. McLAUGHLIN. I cannot answer that question because my answer would tend to incriminate me and, therefore, I stand on my constitutional rights as I said before.

The CHAIRMAN. All right, are there any further questions?

Is anybody taking pictures?

Mr. McLAUGHLIN. I want to be fair.

The CHAIRMAN. He can shoot this way all he wants to.

Mr. McLAUGHLIN. Everything is all right.

Mr. KENNEDY. Were you ever involved in any financial way with Mr. Clyde Crosby?

Mr. McLAUGHLIN. I cannot answer that question because my answer would tend to incriminate me and I, therefore, stand on my constitutional rights as I said before.

Mr. KENNEDY. Were you ever involved in any financial way with Mr. Frank Brewster?

The CHAIRMAN. The Chair orders you to answer the last question and directs you to answer it. Let us proceed.

Counsel, just a moment here.

(The witness consulted with his counsel.)

Mr. RAYMOND. I think my witness is very confused at the moment.

The CHAIRMAN. Get him unconfused and let us proceed.

Senator McCARTHY. May I remind counsel he is on the air when he is talking there.

Mr. RAYMOND. I don't care. That's all right with me.

Mr. KENNEDY. Go ahead.

Mr. McLAUGHLIN. The question is regarding Frank Brewster, if I had any financial transactions with Mr. Frank Brewster?

The CHAIRMAN. Yes.

Mr. McLAUGHLIN. No, I never had any.

Mr. KENNEDY. Did you ever discuss any financial transactions with Mr. Frank Brewster?

Mr. McLAUGHLIN. No, sir.

Mr. KENNEDY. Then, I will go back to this question that you refused to answer before. Did Mr. Frank Brewster ever arrange for you to go to any other section of the country other than Portland?

Mr. McLAUGHLIN. No, sir.

Mr. KENNEDY. Absolutely not, and you are sure of that? You were never sent by Mr. Frank Brewster to any other section of the country other than Portland?

Mr. McLAUGHLIN. I was never sent to any of these things.

Mr. KENNEDY. Were you ever requested by Mr. Frank Brewster to go to any other section of the country other than Portland?

Mr. McLAUGHLIN. No, sir, not to my recollection. I cannot recall it.

Mr. KENNEDY. You never were requested by, or did you have any conversation with Mr. Frank Brewster about going to another section of the country?

Mr. McLAUGHLIN. No, sir, not to my recollection. I cannot recall ever talking about anything like that.

Mr. KENNEDY. Did you ever do any work in connection with the teamsters in any other section of the country other than Portland?

(Witness consulted with his counsel.)

Mr. McLAUGHLIN. No, sir, I never have.

Mr. KENNEDY. What were your dealings or what was your relationship with Frank Brewster?

Mr. McLAUGHLIN. There wasn't very much.

Mr. KENNEDY. What was it?

Mr. McLAUGHLIN. I have known the man for 15 or 20 years and the extent of my relationship is running into him occasionally, seeing him here or there, and "hello" and "how are you?"

Mr. KENNEDY. Did you used to call him long distance from various sections of the country and tell him how you were doing?

Mr. McLAUGHLIN. I cannot recall ever calling him long distance.

Mr. KENNEDY. You never talked to Mr. Frank Brewster long distance?

Mr. McLAUGHLIN. What time element are you asking me about?

Mr. KENNEDY. Let us take from January of 1953. Did you ever talk long distance with Mr. Frank Brewster?

Mr. McLAUGHLIN. From 1953 on? On back or on to now?

Mr. KENNEDY. In this direction.

Mr. McLAUGHLIN. I don't ever recall talking to him.

Mr. KENNEDY. Did you talk to him from Portland long distance?

Mr. McLAUGHLIN. I cannot answer that question because my answer would tend to incriminate me and I, therefore, stand on my constitutional rights.

Mr. KENNEDY. You already stated that you did not talk to him at all long distance since January of 1953.

The CHAIRMAN. The Chair orders you to answer the question.

Mr. McLAUGHLIN. I can never recall talking to Frank Brewster long distance. Like I say, I knew him for twenty-some years, and the thing of it is that I lived in California about 7 or 8 years and I may have made a great many long distance calls from California to Seattle.

There is something I would like to state or say if I could in regards to going back these years. Before 16 years ago I was stricken down and just lost all—I was a very sick man for about 60 days. I couldn't think, and I couldn't walk and I lost all of my faculties.

The CHAIRMAN. That was 16 years ago?

Mr. McLAUGHLIN. That's right. With it I have been taking medicine and going to doctors ever since. About 4 years ago I started to have a recurrence of this trouble to the extent, when I was living in California, that I would get up to go to the store and the stores in Seattle.

These things would start to come back on me and I finally came up to Seattle and I went to see my doctor and we had a lot of thorough X-rays taken and he put me under a lot of medication.

At that time I was worried that I had arthritis of the brain, because that was a form of my serious trouble years back, in my spine and throughout my body and I was in fear of that coming.

This thing, when you are asking me going back 2 or 3 or 4 years, this is 4 years ago that I had all of these tests taken and with it, going back to knowing exact dates and things, I have lost my memory. At that time I was confused and I didn't know what town I was in and I moved out to Seattle 10 years ago and at the time I was in Seattle I would get in the car and I would drive on out to the home that I used to live in and things of that kind.

Therefore, I am confused.

The CHAIRMAN. Let me ask you this: Did you have a loss of memory or were you confused when you were operating in Portland.

Mr. McLAUGHLIN. I cannot answer that question. My answer would tend to incriminate me, under both the Federal and State criminal laws.

The CHAIRMAN. You injected this into the discussion and so, therefore, I order and direct you to answer the question. You are going back 16 years.

Mr. McLAUGHLIN. I cannot answer that question because of my answer would tend to incriminate me and I, therefore, stand on my constitutional rights as I said before.

The CHAIRMAN. What the Chair is trying to find out is whether you knew what you were doing when you were in Portland Oreg. You have gone back and you built this case of disability, trying to throw some light on this thing, and why you cannot answer.

I want to ask you the direct question: Were you so afflicted and did you lose your memory and not know what you were doing when you were operating in Portland, Oreg.?

Mr. McLAUGHLIN. I cannot answer that question because my answer would tend to incriminate me and I, therefore, stand on my constitutional rights as I said before.

The CHAIRMAN. You are ordered and directed to answer it.

Senator MUNDT. I would like to ask you this question, Mr. McLaughlin. Did you attend a prizefight in San Francisco on May 16, 1955? There is nothing criminal about that.

Mr. McLAUGHLIN. Did I what?

Senator MUNDT. Did you attend a prizefight at San Francisco on May 16, 1955?

(The witness consulted with his counsel.)

Senator MUNDT. That is the Cockrill-Marciano fight. Maybe you can remember the fight better than the date.

Mr. McLAUGHLIN. Yes, I attended the fight.

Senator MUNDT. Did you fly down to that fight from Portland to San Francisco or were you living in San Francisco at the time?

Mr. McLAUGHLIN. I cannot answer that question because my answer would tend to incriminate me and I, therefore, stand on my constitutional rights.

The CHAIRMAN. You are ordered and directed to answer the question.

Mr. McLAUGHLIN. I cannot answer the question because my answer would tend to incriminate me, and I, therefore, stand on my constitutional rights.

Senator MUNDT. Did you stay in the Olympic Hotel the night that you attended that fight?

Mr. McLAUGHLIN. I believe that was the name of the hotel.

Senator MUNDT. Did Mr. Clyde Crosby stay in the Olympic Hotel that same night? Did you see him at the fight or see him in the hotel, I will put it that way.

(The witness consulted with his counsel.)

Mr. McLAUGHLIN. I cannot answer that question because my answer would tend to incriminate me and I, therefore, stand on my constitutional rights.

The CHAIRMAN. You are ordered and directed to answer it.

Mr. McLAUGHLIN. I cannot answer the question because my answer would tend to incriminate me and I, therefore, stand on my constitutional rights.

Senator MUNDT. Did you and Clyde Crosby fly down from Portland to San Francisco the morning of the fight? Did you fly down together on the same flight?

Mr. McLAUGHLIN. Your Honor, I am under indictment with Clyde Crosby for conspiracy and half a dozen other things.

Senator MUNDT. You and Crosby were indicted together?

Mr. McLAUGHLIN. That's right.

Senator MUNDT. That is why you do not want to associate your name with his?

Mr. McLAUGHLIN. This is all a chain and a link of evidence and I don't know what it is. That is the reason I cannot answer the question.

Senator MUNDT. I didn't understand you and were you indicted together?

Mr. McLAUGHLIN. That's the reason.

Senator MUNDT. You answered a question previously which I would like to have you answer again because you have answered it and I want to be sure what your answer was.

Mr. Kennedy asked you whether you had ever had any financial transactions with Mr. Brewster. On that you took the fifth amendment. Or rather, I think not. On that you said, "No." Then you were asked the same question as to whether you had any financial transactions with Mr. Crosby and on that you took the fifth amendment.

Mr. McLAUGHLIN. That's right.

Senator MUNDT. You do not want to answer that question?

Mr. McLAUGHLIN. I am on indictment and let me read this over, and this includes Clyde Crosby and half a dozen fellows in labor and I don't know half the people included, but I am mixed up pretty good.

I am sorry—I mean in Portland—I am sorry that I cannot answer that question and as you know I am under indictments out in Portland, Oreg., on several gambling and conspiracy charges, and my answer would tend to incriminate me under both Federal and State criminal laws, and I therefore claim my constitutional privileges especially under the 5th and 14th amendments of the Constitution of the United States of America, and section 12 of article 1 of the Constitution of the State of Oregon.

Senator McCARTHY. Could I ask a question there? Counsel asked you a question a short time ago and that is whether or not you had long-distance calls to Brewster subsequent to 1953. Do you want to answer that or do you want to refuse on the grounds of the fifth amendment?

(Witness consulted counsel.)

Mr. McLAUGHLIN. I cannot answer that question because my answer would tend to incriminate me, and I therefore stand on my constitutional rights.

Senator McCARTHY. Mr. McLaughlin, if the Chair will indulge with me for about 10 seconds, I would like to say that you are doing a tremendous disservice to the teamsters union and to Mr. Brewster. I don't know whether Mr. Brewster is lily pure or a crook. I have no idea. But you are creating the impression that there is something crooked here. If you don't remember as you said a minute ago, whether or not you had those conversations, just say you don't remember. When you say your answer would tend to incriminate you, it sort of negatives your story about your bad memory. It indicates that you do remember. I just wonder why you don't tell us what you know. Certainly it is no crime to have had a conversation with Brewster. Certainly it is no crime to have traveled on the same airplane with Crosby. I just wonder why you hide behind this privilege, and I think that you are doing it fictitiously. I just wonder if you would want to consider or I should say reconsider, and tell us the answer to the question counsel asked you. You are helping neither yourself nor anyone else by this.

Mr. McLAUGHLIN. I cannot answer the question because my answer would tend to incriminate me, and I therefore stand on my constitutional rights.

Senator McCARTHY. All right. Now you said your memory was bad. Do you remember—and I am not asking whether you had the conversations—but do you remember whether you had long-distance conversations with Brewster during or after 1953?

(Witness consulted counsel.)

Senator McCARTHY. Just, do you remember?

Mr. McLAUGHLIN. I cannot answer that question because my answer would tend to incriminate me and I therefore stand on my constitutional rights, as I said before.

Senator McCARTHY. Did you ever pay any money to Brewster?

Mr. McLAUGHLIN. No, sir.

Senator McCARTHY. Did you ever receive anything of value from Brewster?

(Witness consulted counsel.)

Mr. McLAUGHLIN. You mean in hundreds of dollars, or dollars, or to buy a drink, or what?

Senator McCARTHY. Anything of value whatsoever. I am not interested in a drink or something like that.

Mr. McLAUGHLIN. Let us have the question again.

Senator McCARTHY. Did you ever receive anything of value from Brewster? Now you said, "Do you mean a drink?" The answer is of course "No." I am not referring to having a drink at the bar or something like that.

(Witness consulted counsel.)

Mr. McLAUGHLIN. I cannot answer that question because my answer would tend to incriminate me, and I therefore stand on my constitutional rights.

Senator McCARTHY. I have nothing further, Mr. Chairman.

The CHAIRMAN. Are there any further questions, Mr. Counsel?

Mr. KENNEDY. I want to recall Mr. Bennett for just half a minute.

The CHAIRMAN. All right, Mr. Bennett, come around.

This witness will be placed under recognizance to reappear. Do you accept that without further subpoena?

Mr. BENNETT. Yes, sir.

The CHAIRMAN. You will agree to return if the committee needs further testimony from you upon notice to your counsel and you are given a reasonable time to appear.

Mr. BENNETT. Yes, sir.

Mr. BONNER. Might be that we would be engaged in a trial on some of these matters, and I want to say that for the record. When that time comes, you may have a transcript of the evidence.

The CHAIRMAN. The committee will of course take those things into account, and we don't want to put anyone in jeopardy because he cannot do two things at one time.

Mr. KENNEDY. Could I ask Mr. McLaughlin before he leaves, whether he ever received any inside information from Mr. Crosby on this E. and R. matter?

Mr. McLAUGHLIN. I cannot answer that question because my answer would tend to incriminate me, and I therefore stand on my constitutional rights.

The CHAIRMAN. The witness is excused until such time as his presence may be required for further testimony, upon notice to his counsel.

Senator McCARTHY. Could I ask you one final question? Do any of your indictments concern Mr. Brewster, also?

Mr. McLAUGHLIN. No, sir.

Senator McCARTHY. They do not?

Mr. McLAUGHLIN. No.

Senator McCARTHY. Thank you.

Mr. KENNEDY. I want to recall Mr. Jenkins.

TESTIMONY OF JAMES Q. JENKINS—Resumed

Mr. KENNEDY. When you were here before, Mr. Jenkins, I asked you whether you had been arrested on any matters other than just a traffic thing.

Mr. JENKINS. I am under six indictments now.

Mr. KENNEDY. You have been indicted six times now?

Mr. JENKINS. Yes, sir.

Mr. KENNEDY. So you have been indicted on more counts than Mr. McLaughlin.

Mr. JENKINS. I presume; yes, sir.

Mr. KENNEDY. And also than Mr. Maloney.

Mr. JENKINS. I don't know about that.

Mr. KENNEDY. And you felt free to talk even without an attorney before the committee?

Mr. JENKINS. Yes, sir.

Mr. KENNEDY. Mr. Elkins has been indicted on 26 counts.

Mr. JENKINS. Yes, sir.

Mr. KENNEDY. And he also testified before the committee.

Mr. JENKINS. That's right.

Mr. KENNEDY. Thank you.

The CHAIRMAN. All right. The committee will stand in recess until 10 o'clock Tuesday morning.

(Thereupon, at 5:45 p. m., the hearing was recessed, to reconvene at 10 a. m., Tuesday, March 12, 1957.)

EXHIBIT No. 38A

ROOM NO. 606	<h1>Olympic Hotel</h1> <h2>Registration Card</h2>
RATE 5	
NO. IN PARTY 1	
ARRIVAL 5-16-55 A. M. P. M.	
DEPARTURE A. M. P. M.	
CLERK	
<p>Name <u>J. F. Sawyer</u></p> <p>Home Address <u>Portland Towers</u></p> <p>City <u>Portland</u> State <u>Ore.</u></p> <p>Firm _____ Address _____</p> <p style="text-align: center;">GUESTS WITHOUT BAGGAGE ARE REQUESTED TO PAY IN ADVANCE</p> <p style="text-align: center;">204-10-54—Ace Ptg.</p>	

OLYMPIC HOTEL

MAY 16 11 41 AM 1955

SAN FRANCISCO
CALIFORNIA

EXHIBIT No. 38A—Continued

Olympia Hotel
230 EDDY STREET
SAN FRANCISCO, CALIFORNIA

NAME **WILLIAM H. WILSON, JR. J. P.**
ROOM NO. **603**
ARRIVAL DATE **5-12-38**
RATE **5.00** MC **300**



DATE	DESCRIPTION	AMOUNT	DEBIT	CREDIT	BALANCE	REMARKS
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ROOM NO.

608

RATE

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NO. IN PARTY

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ARRIVAL

5-16-55

A. M.
P. M.

DEPARTURE

A. M.
P. M.

CLERK

Olympic Hotel

Registration Card

Name Wylde Crosby

Home Address 1020 26 E. 3rd

City Portland State Ore

Firm _____ Address _____

GUESTS WITHOUT BAGGAGE ARE REQUESTED TO PAY IN ADVANCE

20M-10-54—Aes Pts

OLYMPIC HOTEL

MAY 16 11 42 AM 1955

SAN FRANCISCO
CALIFORNIA

1488 WILHELM PARK 30-1
5-14 SEATTLE WASH 15 5-1 111

ROLEY

CREDIT	O. K.
\$ 50.00	
ACCT.	
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FOLIO NO.

MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY	SUNDAY
73						

MEMO	DATE	EXPLANATION	CHARGES	CREDITS	BAL. DUE	ROOM
1	MAY 14-55	L'DIST	* 1.54			D 1428
2	MAY 14-55	WARD	* 1.34		* 2.88	D 5000
3	MAY 14-55	ROOM	* 30.00		* 32.88	N#1420
4	MAY 15-55	L'DIST	* 4.46			M# 1420
5	MAY 15-55	REST'R	* 1.19		* 38.53	M# -
6	MAY 15-55	REST'R	* 15.78			A1428-
7	MAY 15-55	POOUT TIPS	* 2.00		* 56.31	A1428-
8	MAY 15-55	POOUT BAN	* 8.45		* 64.76	A1428-
9	MAY 15-55	L'DIST	* 2.09			A1428-
10	MAY 15-55	L'DIST	* 6.11		* 72.96	A1428-
11	MAY 15-55	L'DIST	* 11.94		* 84.90	D 1428
12	MAY 15-55	REST'R	* 6.90		* 91.80	D 1428
13	MAY 15-55	ROOM	* 30.00			N#1420
14	MAY 15-55	PHONE	* 0.30		* 122.10	M# -
15	MAY 16-55	REST'R	* 3.73		* 125.83	M# 1428
16	MAY 16-55	L'DIST	* 0.76		* 126.59	E#1428-
17	MAY 16-55	L'DIST	* 2.62		* 129.21	M# 1428
18	MAY 16-55	VALET	* 1.50		* 130.71	M# 1428
19	MAY 16-55	L'DIST	* 1.64		* 132.35	M# 1428
20	MAY 16-55	L'DIST	* 2.36			B#1428
21	MAY 16-55	L'DIST	* 1.63			E#1428
22	MAY 16-55	REST'R	* 39.65		* 175.90	B#1428
23	MAY 16-55	L'DIST	* 2.20		* 178.19	D1428-
24	MAY 16-55	ROOM	* 30.00		* 208.19	M# 1428

REMARKS

TRANSFER TO CITY LEDGER

GUEST'S SIGNATURE _____

CHARGE TO _____

ADDRESS _____

APPROVED BY _____

UNITED AIR LINES

FLIGHT COUPON
 UNITED AIR LINES
 FIRST CLASS
 PORTLAND
 SAN FRANCISCO
 PDX-395

02280
 16
 -55

NAME OF PASG. *C. C. Crosby*

VOID IF DETACHED - SUBJECT TO TARIFF REGULATIONS

UNITED AIR LINES

FLIGHT COUPON
 UNITED AIR LINES
 FIRST CLASS
 SAN FRANCISCO
 PORTLAND
 PDX-SFO R-31.65

02280
 16
 -55

NAME OF PASG. *C. C. Crosby*

VOID IF DETACHED - SUBJECT TO TARIFF REGULATIONS

UNITED AIR LINES

FLIGHT COUPON
 UNITED AIR LINES
 FIRST CLASS
 SAN FRANCISCO
 PORTLAND
 PDX-SFO R-31.65

02280
 16
 -55

NAME OF PASG. *J. McLaughlin*

VOID IF DETACHED - SUBJECT TO TARIFF REGULATIONS

UNITED AIR LINES

FLIGHT COUPON
 UNITED AIR LINES
 FIRST CLASS
 PORTLAND
 SAN FRANCISCO RT
 PDX-SFO

02280
 16
 -55

NAME OF PASG. *J. McLaughlin*

VOID IF DETACHED - SUBJECT TO TARIFF REGULATIONS

REVERSE SIDE
 TICKET
 888-02280
 San Francisco to
 Portland
 Flight coupon

REVERSE SIDE
 TICKET 888-02280
 San Francisco to
 Portland
 Flight coupon

Used 673 5/17/55

Used 673 5/17/55

UNITED AIR LINES, INC.

(16)
TRANSPORTATION RECEIPT
UNIVERSAL AIR TRAVEL PLAN
TRIPLICATE—TO TICKETOR

IMPRINT AIR TRAVEL CARD HERE
AIRLINE ACCOUNT NO. CARD NO.

A 2400 N 837268

CARDHOLDERS
NAME → CLYDE CROSBY
SUBSCRIBER → INTL BROTHERSHOOD OF
T C W & H OF AMER

FROM	TO	COMPLETE ROUTING	TO	VIA	FARE BASIS	CHARGES		FOR ACCOUNT, INC USE ONLY
						FARE	TAX	
889	PDX	PDX SFO PDX		VIA	RT	FARE	6.50	CURRENCY OF TICKETOR
						TAX	6.68	
						FARE		RATE EXCHANGE
						TAX		AMOUNT IN CONTRACTOR'S CURRENCY
						FARE		
						TAX		
						TOTAL	73.48	

I hereby acknowledge receipt of the ticket(s) specified herein and certify that the same are intended for my use and that such ticket(s) will be used in accordance with the conditions of the ticket(s) and that such ticket(s) will be used in accordance with the conditions of the ticket(s).

SIGNATURE OF CARD HOLDER OR HOLDER OF ONE TRIP ORDER.

ATO NO.

EXHIBIT No. 39

Service = Machine Co.

PHONE SEASON 0803
 1424 S. W. SECOND AVENUE
 PORTLAND, OREGON

March 22, 1956

Statement of income for calendar year 1955 from mutual investment of J. P. McLaughlin, 906 First Ave., Seattle, Washington and J. F. Elkins, 1426 S. W. 2nd. Ave. Portland, Oregon.

In consideration of six thousand one hundred twenty one dollars and forty six cents (\$6,121.46), which I received from J. P. Elkins in full settlement from our mutual investment during the calendar year 1955.

Mutual investment ended as of December 31, 1955.

SIGNED

J. P. McLaughlin
 J. P. McLaughlin

SIGNED

J. F. Elkins
 J. F. Elkins

EXHIBIT No. 40

March 23, 1956

Mr. J. P. McLaughlin
Battersby & Smith
806 First Ave.
Seattle, Washington.

Enclosed please find cashier's check in the amount of \$668.00 which represents refund on capital advanced by you (J. P. McLaughlin), for Real estate options during calendar year 1955; with Thomas Johnson and J. E. Elkins.

Accompanying this letter is a complete report of monies received and an itemized report showing the property, the sale price, expiration date, and the amount of money paid for options.

Yours truly,

J. E. Elkins
1426 S. W. 2nd. Ave.
Portland, Ore.

METROPOLITAN BRANCH
UNITED STATES NATIONAL BANK

24-00
1236
P

No. 70-12402

Portland, Oregon 3/20/56

J. B. Elkins

PREPARED BY

PAY TO THE ORDER OF

J. P. McLaughlin ** *****

\$ 668.00

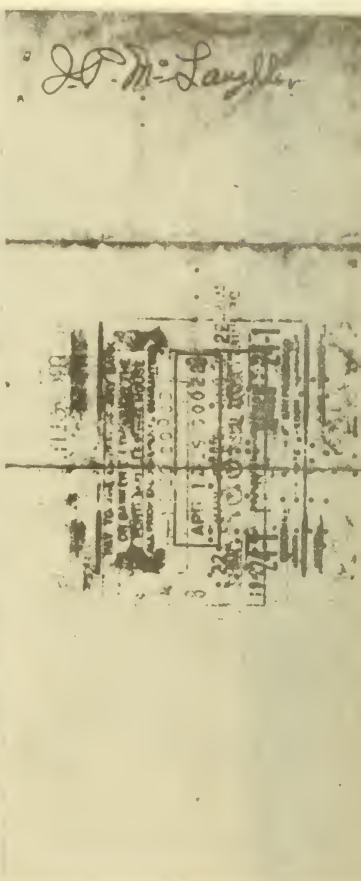
U.S. NATIONAL BANK OF PORTLAND \$668.00

CASHIER'S CHECK

PAYABLE IF DESIRED AT

THE UNITED STATES NATIONAL BANK, Portland, Oregon
Payable in Real Estate ATTORNEYS
from Thomas Johnson & J. B. Elkins

Frank L. Johnson



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